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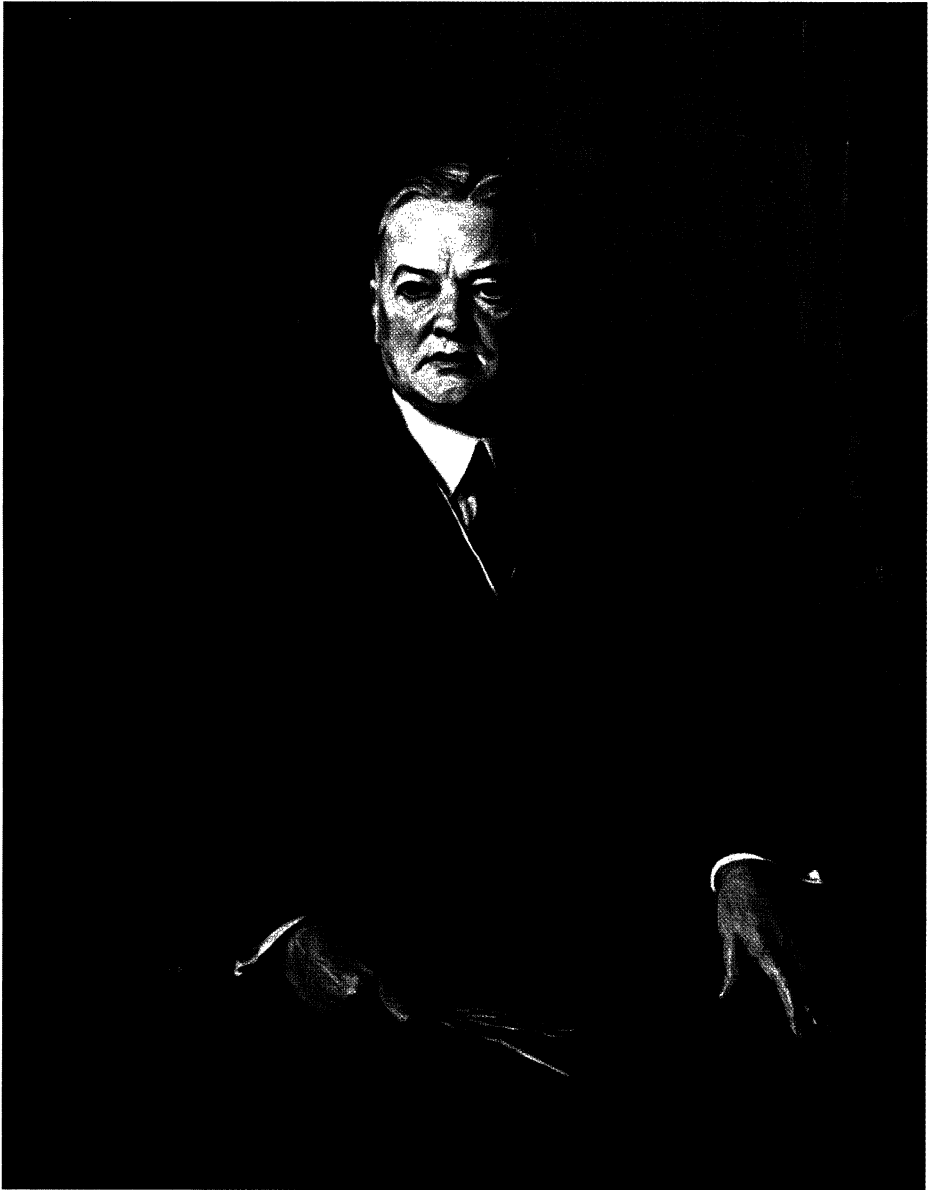
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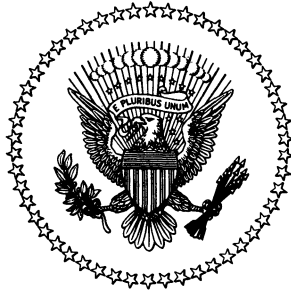
OF THE UNITED STATES

Herbert Hoover

*Containing the Public Messages, Speeches, and
Statements of the President*

JANUARY 1, 1932 TO MARCH 4, 1933

1932-33



UNITED STATES GOVERNMENT PRINTING OFFICE

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PREFACE

THIS VOLUME IS based on public messages, speeches, and statements of the President during the period January 1, 1932 to March 4, 1933, made available by the Herbert Hoover Presidential Library. Similar volumes covering 1929 through 1931 are also available.

Annual volumes have also been published for the years 1945 through 1975, containing the papers of Presidents Truman, Eisenhower, Kennedy, Johnson, Nixon, and Ford.

The series was begun in 1957 in response to a recommendation of the National Historical Publications Commission. Until then there had been no systematic publication of Presidential papers. An extensive compilation of the messages and papers of the Presidents, covering the period 1789 to 1897, was assembled by James D. Richardson and published under Congressional authority between 1896 and 1899. Since then various private compilations have been issued but there was no uniform publication comparable to the *Congressional Record* or the *United States Supreme Court Reports*. Many Presidential papers could be found only in mimeographed White House releases or as reported in the press. The National Historical Publications Commission therefore recommended the establishment of an official series in which Presidential writings and utterances of a public nature could be made promptly available.

Preface

The Commission's recommendation was incorporated in regulations of the Administrative Committee of the Federal Register issued under section 6 of the Federal Register Act (44 U.S.C. 1506). The Committee's regulations, establishing the series and providing for the coverage of prior years, are reprinted as Appendix G.

CONTENT AND ARRANGEMENT

The text of this book is based on historical materials held in the Herbert Hoover Presidential Library at West Branch, Iowa. In a few instances when the Library had no official copy of a statement known to have been made public, the text has been supplied from news accounts or other contemporary sources.

President Hoover's news conferences are published for the first time in full text in this series since, at the time they were held, direct quotation of the President's replies frequently was not authorized. Transcripts by White House stenographers were used in this publication. The news conferences have been numbered in sequence on the basis of existing transcripts.

For some addresses by the President, varying texts are in the files, and newspaper clippings point to additional departures from his official text. Because of the scarcity of sound recordings of the speeches, it has not been possible in every instance to verify and print "as delivered" transcripts. Accordingly, the editors have used, when available, official texts printed by the Government Printing Office. When no such official printing was found, they have selected the "best available" version from those

Preface

in the Library's holdings. When stenographic records were kept of textual changes during the delivery of a public address, the "as delivered" version is used. For researchers interested in possible changes between the prepared text, and the version actually delivered, President Hoover's file of public statements, containing a large number of reading copies with changes in his handwriting, is available for examination at the Herbert Hoover Presidential Library.

An addition to this volume is the inclusion of a journal by the President documenting his perspective of the financial panic in February and March 1933. This journal appears as Supplement I.

Certain Presidential materials issued during the period covered by this volume have not been printed as items but are listed in Appendix A. Routine messages to Congress, not included as items, are listed in Appendix B. Proclamations and Executive orders appear in full in a companion publication, *Proclamations and Executive Orders, Herbert Hoover, 1929-1933*, published in 1974, and are therefore merely listed in Appendix C.

The President is required by statute to transmit numerous reports to the Congress. Those transmitted during the period covered by this volume are listed in Appendix D.

A selected list of the President's calendar of activities for January 1, 1932 to March 4, 1933 appears in Appendix E.

Appendix F lists those addresses and remarks by the President which were broadcast by radio either locally or nationally during the period 1929-1933.

Preface

The items published in this volume are presented in chronological order, rather than being grouped in classes. Most needs for a classified arrangement are met by the subject index.

The dates shown at the end of item headings are White House release dates. In instances where the date of the document differs from the release date, that fact is shown in brackets immediately following the heading. Textnotes, footnotes, and cross references have been supplied where needed for purposes of clarity.

Remarks or addresses were delivered in Washington, D.C., unless otherwise indicated. Similarly, statements, messages, and letters were issued from the White House in Washington unless otherwise indicated.

Dr. Ellis W. Hawley, professor of American history at the University of Iowa, served as consultant in the preparation of the volume. Materials to be considered for inclusion were compiled by Dwight M. Miller, senior archivist of the Herbert Hoover Presidential Library, who also assisted in their selection and annotation. Thomas T. Thalken, Director of the Library, provided his support for completion of the volume.

The planning and publication of the series is under the direction of Fred J. Emery, Director, and Ernest J. Galdi, Deputy Director, of the Office of the Federal Register. Editors of the present volume were Faye Q. Rosser, Michael J. Sullivan, Doris M. O'Keefe, and Carol L. Minor. Managing editor was Martha B. Girard.

Design of the volume was developed by the Government Printing Office's Division of Typography and Design. Rudie Diamond of that Division provided continuing consultation.

Preface

The frontispiece is from an oil painting by Phillip A. de Laszlo. Commissioned by four engineering societies of which the President was an honorary member, the original work was presented by them in 1932 to the United Engineering Trustees. It now hangs in their headquarters in New York, New York.

JAMES B. RHOADS

Archivist of the United States

JOEL W. SOLOMON

Administrator of General Services

August 1977

CONTENTS

	<i>Page</i>
PREFACE	V
LIST OF ITEMS	XIII
THE CABINET	XLVII
PUBLIC PAPERS OF HERBERT HOOVER, 1932-33	1
SUPPLEMENT I—The Last Days—Financial Panic	
The President's Journal of Events	1013
Glossary of Names	1089
<i>Appendix A</i> —Additional White House Releases	1093
<i>Appendix B</i> —Messages to the Congress	1101
<i>Appendix C</i> —Presidential Proclamations and Executive Orders	1117
<i>Appendix D</i> —Presidential Reports to the 72d Congress During 1932-33	1141
<i>Appendix E</i> —The President's Calendar	1143
<i>Appendix F</i> —Radio Addresses by the President	1275
<i>Appendix G</i> —Rules Governing This Publication	1281
INDEX	1283

LIST OF ITEMS

	<i>Page</i>
1 Special Message to the Congress on the Economic Recovery Program. January 4, 1932	1
2 White House Statement on Domestic Health Conditions. January 4, 1932	4
3 The President's News Conference of January 5, 1932	6
4 Message to the New York Association for the Blind. January 5, 1932	7
5 Message to the Colorado Conference on Child Health and Protection. January 5, 1932	8
6 Statement on the Death of Julius Rosenwald. January 6, 1932	9
7 Remarks Welcoming Representatives of Pennsylvania's Unemployed. January 7, 1932	9
8 Message to the Diphtheria Prevention Commission. January 7, 1932	10
9 The President's News Conference of January 8, 1932	11
10 Statement on Federal Expenditures. January 8, 1932	13
11 Statements on the Governor Generalship of the Philippines. January 9, 1932	15
12 Message on Life Insurance Day. January 11, 1932	16
13 Letter Accepting the Resignation of Ira E. Robinson as a Member of the Federal Radio Commission. January 11, 1932	17
14 Message to the American Road Builders Association. January 11, 1932	18

List of Items

	<i>Page</i>
15 The President's News Conference of January 12, 1932	19
16 Letter Accepting the Resignation of Oliver Wendell Holmes as an Associate Justice of the Supreme Court of the United States. January 12, 1932	20
17 Message to the Real Estate Board of New York. January 14, 1932	21
18 Message to The International Benjamin Franklin Society. January 16, 1932	22
19 Message to the American Palestine Committee. January 17, 1932	23
20 Message to the National Conference on Palestine. January 17, 1932	23
21 Message on National Thrift Week. January 17, 1932	24
22 Message to the Young Men's Christian Association of New York City. January 18, 1932	25
23 The President's News Conference of January 19, 1932	26
24 Statement on Appointments to the Reconstruction Finance Corporation. January 19, 1932	27
25 Statement on Appointments to the United States Delegation to the General Disarmament Conference. January 19, 1932	27
26 Letter to the Speaker of the House Transmitting an Estimate of Appropriations for the Reconstruction Finance Corporation. January 21, 1932	28
27 Statement About Signing the Reconstruction Finance Corporation Act. January 22, 1932	29
28 Statement About Signing the Federal Farm Loan Act Amendments. January 23, 1932	30

List of Items

	<i>Page</i>
29 Letter to the Speaker of the House Transmitting an Estimate of Appropriations for Federal Land Banks. January 25, 1932	31
30 Message to the Annual Dinner of the Society of the Genesee Honoring Lillian D. Wald. January 25, 1932	31
31 The President's News Conference of January 26, 1932	32
32 Letter to the Speaker of the House on Procurement of Supplies of Foreign Origin for Government Departments and Agencies. January 26, 1932	34
33 Message to the Governor of Porto Rico on His Inauguration. January 30, 1932	35
34 White House Statement Announcing Measures for the Protection of United States Citizens in the International Settlement at Shanghai, China. January 31, 1932	36
35 The President's News Conference of February 2, 1932	36
36 Statement on the Hoarding of Currency. February 3, 1932	38
37 Statement on the Appointment of Andrew W. Mellon as United States Ambassador to Great Britain. February 3, 1932	40
38 The President's News Conference of February 5, 1932	41
39 Statement Announcing Appointments to the Department of the Treasury. February 5, 1932	43
40 Statement on the American Legion's Employment Drive. February 6, 1932	44
41 White House Statement About the Conference on the Hoarding of Currency. February 6, 1932	44
42 Message to the France-America Society. February 6, 1932	47

List of Items

	<i>Page</i>
43 White House Statement About Presidential Receptions. February 9, 1932	48
44 Letter Accepting the Resignation of Andrew W. Mellon as Secretary of the Treasury. February 12, 1932	49
45 Message on Lincoln's Birthday. February 12, 1932	50
46 Radio Address on Lincoln's Birthday. February 12, 1932	50
47 Message to the Imperial Order of the Dragon. February 13, 1932	53
48 The President's News Conference of February 16, 1932	53
49 Statement on Hoarding of Currency. February 16, 1932	56
50 Special Message to the Congress on the Reorganization of the Executive Branch. February 17, 1932	56
51 Message to a Dinner Honoring Disabled Veterans. Feb- ruary 17, 1932	62
52 Message to the World Conference on Narcotic Education. February 18, 1932	62
53 Message to Charles M. Schwab on His 70th Birthday. Feb- ruary 18, 1932	63
54 The President's News Conference of February 19, 1932	63
55 Statement on the New York Stock Exchange. February 19, 1932	64
56 Address to a Joint Session of Congress Opening the Cele- bration of the Bicentennial of the Birth of George Wash- ington. February 22, 1932	65
57 Remarks to the National Education Association at Mount Vernon, Virginia. February 22, 1932	72

List of Items

	<i>Page</i>
58 Message to the Jewish National Fund of America. February 22, 1932	73
59 Statement About Congressional Action on Reorganization of the Executive Branch. February 24, 1932	74
60 Message to the Chairman of the Citizens Reconstruction Organization. February 25, 1932	75
61 Message to a Testimonial Dinner Honoring James C. Colgate. February 25, 1932	76
62 Message to the National Education Association. February 25, 1932	76
63 The President's News Conference of February 26, 1932	77
64 Statement on Bankruptcy Law and Judicial Reform. February 26, 1932	78
65 Veto of a Bill for the Relief of Alexander M. Proctor. February 26, 1932	80
66 Statement on Signing the Federal Reserve Act, Amendments. February 27, 1932	80
67 Message on Army Day. February 27, 1932	82
68 Message to the Young Men's Christian Association of Brooklyn and Queens, New York. February 29, 1932	82
69 Special Message to the Congress on Reform of Judicial Procedure. February 29, 1932	83
70 Message to the Matilda Ziegler Magazine for the Blind. February 29, 1932	92
71 Message to the National Federation of Business and Professional Women's Clubs. March 3, 1932	92
72 Message to a Dinner Honoring Bernard G. Richards. March 6, 1932	93

List of Items

	<i>Page</i>
73 Radio Address on the Hoarding of Currency. March 6, 1932	93
74 Message to President Paul Doumer of France on the Death of Aristide Briand. March 7, 1932	96
75 Message to Justice Oliver Wendell Holmes on His 91st Birthday. March 8, 1932	97
76 The President's News Conference of March 8, 1932	98
77 Statement on Efforts to Balance the Budget. March 8, 1932	100
78 Statement on the Reconstruction Finance Corporation. March 8, 1932	102
79 White House Statement on Reorganization of the Executive Branch. March 9, 1932	102
80 The President's News Conference of March 11, 1932	104
81 Statement on the Hoarding of Currency. March 11, 1932	105
82 Message to the Chamber of Commerce of Curwensville, Pennsylvania. March 11, 1932	106
83 Letter to the Speaker of the House Recommending an Immediate Appropriation for River and Harbor Works. March 14, 1932	107
84 Statement on the Death of George Eastman. March 15, 1932	108
85 Message to the Hundred Year Club of New York. March 15, 1932	108
86 Message to the Bank of Abbeville and Trust Company, Abbeville, Louisiana. March 15, 1932	109
87 White House Statement About Conferences on Railroad Reconstruction. March 18, 1932	110

List of Items

	<i>Page</i>
88 Statement on Railroad Reconstruction. March 19, 1932	110
89 Statement in Tribute to Dr. Robert Koch. March 21, 1932	111
90 White House Statement About Signing a Bill To Limit the Use of Injunctions in Labor Disputes. March 23, 1932	112
91 Message on the Launching of the SS <i>Santa Rosa</i> . March 24, 1932	114
92 The President's News Conference of March 25, 1932	115
93 Statement About Balancing the Budget. March 25, 1932	118
94 Statement on the Reconstruction Finance Corporation. March 25, 1932	120
95 Message to President Alexander Zaimis of Greece on the Anniversary of the Proclamation of the Hellenic Republic. March 25, 1932	121
96 Statement on the "Get Out the Vote" Drive of the United States Junior Chamber of Commerce. March 26, 1932	121
97 Message to King Fuad I of Egypt on His Birthday. March 26, 1932	122
98 Message in Tribute to Julius Rosenwald. March 27, 1932	122
99 Foreword to the Final Report of the White House Confer- ence on Home Building and Home Ownership. March 28, 1932	123
100 Message to the Canton Exchange Bank, Canton, Missis- sippi. March 28, 1932	125
101 The President's News Conference of March 29, 1932	125
102 Statement on Bonus Legislation for World War Veterans. March 29, 1932	126
103 Message to the Knights of Columbus. March 29, 1932	127

List of Items

	<i>Page</i>
104 Message to the Newark Star-Eagle, Newark, New Jersey. March 30, 1932	127
105 Remarks on the Presentation of the Collier Trophy to the Packard Motor Car Company. March 31, 1932	128
106 The President's News Conference of April 1, 1932	129
107 Statement on New Car Sales. April 1, 1932	131
108 Statement on the United States Shipping Board. April 1, 1932	131
109 Special Message to the Congress Proposing a National Economy Program. April 4, 1932	132
110 Message to the Music Supervisors National Conference. April 4, 1932	135
111 The President's News Conference of April 5, 1932	136
112 Statement on the General Disarmament Conference. April 5, 1932	139
113 Statement on the National Economy Program. April 5, 1932	140
114 Letter to the Chairman of the House Select Committee on Economy About the National Economy Program. April 7, 1932	142
115 Message to Albert, King of the Belgians, on His Birthday. April 8, 1932	143
116 Message to the Congregation of the Park Avenue Syna- gogue. April 8, 1932	143
117 Message to the Calvert Associates. April 8, 1932	144
118 Message on the Celebration of Parents' Day. April 8, 1932	145
119 White House Statement on the National Economy Pro- gram. April 9, 1932	145

List of Items

	<i>Page</i>
120 Address to the Gridiron Club. April 9, 1932	149
121 Remarks to the American National Red Cross. April 11, 1932	153
122 Message on the Relocation of the Patent Office. April 11, 1932	154
123 The President's News Conference of April 12, 1932	155
124 Statement on Meetings With the House Select Committee on Economy. April 12, 1932	157
125 Letter to the Chairman of the House Select Committee on Economy About the National Economy Program. April 12, 1932	158
126 The President's News Conference of April 15, 1932	159
127 White House Statement on the Furlough Plan For Government Employees. April 16, 1932	165
128 Message of Sympathy on the Death of Julia Lathrop. April 16, 1932	167
129 Message to the Goethe Society of America. April 18, 1932	167
130 Message on the Celebration of the Centennial of Union Square in New York City. April 21, 1932	168
131 Message to Edwin Markham on His 80th Birthday. April 21, 1932	168
132 The President's News Conference of April 22, 1932	169
133 Statement on Signing the Interior Department Appropriations Act. April 22, 1932	172
134 Statement on Better Homes Week. April 23, 1932	172
135 White House Statement on Committees and Commissions. April 24, 1932	173

List of Items

	<i>Page</i>
136 Veto of a Bill Relating to Indian Claims. April 25, 1932	178
137 Address to the Conference of Governors. April 27, 1932	179
138 Veto of a Bill Relating to Veterans' Pensions. April 27, 1932	186
139 Message to Emperor Hirohito of Japan on His Birthday. April 29, 1932	188
140 Statement on National Hospital Day. May 1, 1932	189
141 Message to the American Conference of Institutions for the Establishment of International Justice. May 2, 1932	189
142 Message to the George Washington Bicentennial Commission of the New York Board of Jewish Ministers. May 2, 1932	190
143 Message to President Ignacy Moscicki on Polish National Day. May 3, 1932	191
144 Message to the National Foreign Trade Council. May 4, 1932	191
145 Message to the Association for Childhood Education. May 4, 1932	192
146 Special Message to the Congress on Budgetary Legislation. May 5, 1932	193
147 The President's News Conference of May 6, 1932	198
148 Statement About Balancing the Budget. May 6, 1932	199
149 Message to President Paul Doumer of France About an Assassination Attempt. May 6, 1932	199
150 Message to Prime Minister André Tardieu of France on the Death of President Paul Doumer. May 7, 1932	200
151 Message to the Princeton Alumni Weekly Honoring John Grier Hibben. May 7, 1932	200

List of Items

	<i>Page</i>
152 Veto of a Bill To Confer Certain Benefits on Civilian Employees of the Quartermaster Corps. May 9, 1932	201
153 Message to the Museum of Modern Art. May 9, 1932	202
154 The President's News Conference of May 10, 1932	203
155 Veto of a Bill To Amend the Tariff Act of 1930. May 11, 1932	204
156 Statement on a Meeting With Senate Minority Leader Joseph T. Robinson. May 12, 1932	210
157 Statement on the Economic Recovery Program. May 12, 1932	211
158 The President's News Conference of May 13, 1932	213
159 Statement About Unity of Action on the Economic Recovery Program. May 13, 1932	214
160 Statement on the Lindbergh Kidnaping. May 13, 1932	215
161 Message to the Ladies' Home Journal on Homeownership. May 13, 1932	215
162 Message to the Southern Baptist Convention. May 13, 1932	217
163 Message in Tribute to Samuel F. B. Morse. May 14, 1932	218
164 Message to the National Congress of the Sons of the American Revolution. May 16, 1932	218
165 Message to the National Council of the Boy Scouts of America. May 16, 1932	219
166 Message to the Lafayette College Conference on the French Backgrounds of American Civilization. May 17, 1932	220
167 Message to the Conference of the National Association for the Advancement of Colored People. May 18, 1932	220

List of Items

	<i>Page</i>
168 Message to the Quadrennial General Conference of the Methodist Episcopal Church. May 19, 1932	221
169 The President's News Conference of May 20, 1932	222
170 Statement on the Formation of the New York Banking and Industrial Committee. May 20, 1932	224
171 Message to the National Conference on Social Work. May 20, 1932	225
172 Message to President Gerardo Machado y Morales on Cuba's Independence Day. May 20, 1932	225
173 Message to Amelia Earhart on Her Transatlantic Flight. May 21, 1932	226
174 Message to the Huguenot Memorial Association. May 22, 1932	226
175 Letter to the President of the American Society of Civil Engineers on the Economic Recovery Program. May 23, 1932	227
176 Message to the Biblical Seminary. May 23, 1932	233
177 Message to President Augustin P. Justo on Argentina's Independence Day. May 25, 1932	234
178 Message to the Boys Club of America. May 25, 1932	234
179 Message to Ceremonies Honoring George B. Cortelyou. May 25, 1932	235
180 Message to the Forum on House Construction. May 25, 1932	236
181 Message to the National Capital Presbyterian Commission. May 26, 1932	236
182 The President's News Conference of May 27, 1932	237

List of Items

	<i>Page</i>
183 Statement on Emergency Relief and Construction Legislation. May 27, 1932	239
184 Message of Sympathy on the Death of Martha Van Rensselaer. May 27, 1932	241
185 Message to Albert, King of the Belgians, in Response to His Memorial Day Message of Friendship. May 30, 1932	242
186 Address to the Senate on the National Economy. May 31, 1932	243
187 White House Statement on the Reconstruction Finance Corporation. June 5, 1932	249
188 Statement on Signing the Revenue Act of 1932. June 6, 1932	253
189 Letter Accepting the Resignation of Charles G. Dawes as a Director of the Reconstruction Finance Corporation. June 6, 1932	253
190 Message to the National Association of Purchasing Agents. June 6, 1932	254
191 Commencement Address at Howard University. June 10, 1932	255
192 Letter to Albert L. Cox on the Proposed Reestablishment of the Council of National Defense. June 10, 1932	256
193 Statement on Signing a Bill Authorizing the Transfer of Juvenile Delinquents to Local Jurisdictions. June 11, 1932	258
194 Message to the American Farm Bureau Federation. June 11, 1932	259
195 Message of Sympathy on the Death of William C. Redfield. June 13, 1932	259
196 Statement for the Flag Day Ceremonies of the George Washington Bicentennial Celebration. June 14, 1932	260

List of Items

	<i>Page</i>
197 Message Accepting the Republican Presidential Nomination. June 16, 1932	260
198 The President's News Conference of June 17, 1932	261
199 Statement on the Economy Bill. June 17, 1932	263
200 Statement on Campaign Plans. June 18, 1932	264
201 Message to the Dedication Ceremonies of Waterton-Glacier International Peace Park. June 18, 1932	265
202 Message to The Daily Princetonian Honoring John Grier Hibben. June 18, 1932	265
203 Remarks on Presenting the Gold Medal of the National Geographic Society to Amelia Earhart. June 21, 1932	266
204 The President's News Conference of June 22, 1932	267
205 Statement on Instructions to the United States Delegation to the General Disarmament Conference. June 22, 1932	270
206 White House Statement on Instructions to the United States Delegation to the General Disarmament Conference. June 22, 1932	273
207 Letter to the President of the Senate Transmitting a Supplemental Estimate of Appropriation for Participation in an International Economic Conference. June 24, 1932	274
208 The President's News Conference of June 24, 1932	276
209 Statement on Emergency Relief and Construction Legislation. June 24, 1932	279
210 Letter Accepting the Resignation of Abraham C. Ratshesky as United States Minister to Czechoslovakia. June 27, 1932	281
211 Message of Sympathy on the Death of Reverend Francis P. Duffy. June 27, 1932	282

List of Items

	<i>Page</i>
212 Statement About Signing the "Economy Act." June 30, 1932	283
213 Veto of a Bill Relating to Rate of Wages for Laborers and Mechanics Employed by Contractors and Subcontractors on Public Buildings. July 1, 1932	286
214 Message to the Congress Recommending Legislation for the Relief of the Families of Emilio Cortez Rubio and Manuel Gomez. July 1, 1932	289
215 Message to the Congress Requesting a Special Appropriation for the President's Organization on Unemployment Relief. July 5, 1932	292
216 White House Statement on Emergency Relief and Construction Legislation. July 5, 1932	294
217 Statement on Emergency Relief and Construction Legislation. July 6, 1932	295
218 Letter to the Speaker of the House Transmitting an Estimate of Appropriation for the Veterans' Administration. July 6, 1932	300
219 Telegram to Governor Franklin D. Roosevelt of New York About the Great Lakes-St. Lawrence Deep Waterway. July 10, 1932	301
220 Message to the Congress Recommending Alterations in the Board of Directors of the Reconstruction Finance Corporation. July 11, 1932	304
221 Veto of the Emergency Relief and Construction Bill. July 11, 1932	305
222 Message to President Albert Lebrun of France on the Sinking of the Submarine <i>Prométhée</i> . July 11, 1932	311
223 Message to the Conference of Smaller Industries. July 11, 1932	312

List of Items

	<i>Page</i>
224 Statement About Signing a Bill Relating to the Purchase of a Post Office Site for New York City. July 12, 1932	313
225 Letter to the Speaker of the House Transmitting a Supplemental Estimate of Appropriation for the Veterans' Administration. July 13, 1932	313
226 Statement on the Great Lakes-St. Lawrence Deep Waterway. July 13, 1932	316
227 Message to the Dedication Ceremonies of the International Peace Garden. July 14, 1932	316
228 Letter to the Chairman of the Senate Foreign Relations Committee About the Lausanne Agreements. July 14, 1932	317
229 Message to President Albert Lebrun of France on Bastille Day. July 14, 1932	318
230 White House Statement on the Publicity Amendment to the Emergency Relief and Construction Bill. July 15, 1932	318
231 White House Statement on Salary Reductions for Members of the Cabinet. July 15, 1932	321
232 Message on the Dedication of Owyhee Dam. July 17, 1932	321
233 Statement About Signing the Emergency Relief and Construction Act of 1932. July 17, 1932	322
234 Letter to the Chairman of the Senate Committee on Expenditures in the Executive Departments About the Policies of the Federal Farm Loan Board. July 18, 1932	323
235 Statement About Signing the Great Lakes-St. Lawrence Deep Waterway Treaty. July 18, 1932	325
236 Message of Sympathy on the Death of Jean Jules Jusserand. July 18, 1932	327

List of Items

	<i>Page</i>
237 Letter to the Chairman of the United States Tariff Commission About an Investigation of Methods of Valuation on Imports. July 18, 1932	328
238 The President's News Conference of July 22, 1932	329
239 Statement About Signing the Federal Home Loan Bank Act. July 22, 1932	331
240 Statement Announcing a Meeting With Representatives of the New England Conference on Reemployment. July 23, 1932	334
241 Message to Emperor Haile Selassie I of Ethiopia on His Birthday. July 23, 1932	335
242 Message to Frank Julian Sprague on His 75th Birthday. July 25, 1932	336
243 Statement Announcing the Appointment of Atlee Pomerene as Chairman of the Reconstruction Finance Corporation. July 26, 1932	336
244 Message to the Boy Scouts of America. July 26, 1932	337
245 Message to the National Economy League. July 26, 1932	338
246 Statement About the Bonus Marchers. July 28, 1932	339
247 Remarks on Presenting Distinguished Flying Crosses to Aviators John Polando and Russell Boardman. July 28, 1932	345
248 Letter to the Commissioners of the District of Columbia Providing Federal Troops To Deal With the Bonus Marchers. July 29, 1932	345
249 The President's News Conference of July 29, 1932	347
250 Statement About the Bonus Marchers. July 29, 1932	348

List of Items

	<i>Page</i>
251 Statement on the Economic Recovery Program. July 29, 1932	350
252 Message on the Presentation of the Distinguished Flying Cross to Amelia Earhart. July 29, 1932	352
253 Message on the Opening of the Games of the Tenth Olympiad. July 29, 1932	353
254 Exchange of Messages With Regent Nicholas von Horthy on the Inauguration of Direct Radiotelegraphic Service Between Hungary and the United States. July 30, 1932	354
255 Message to President Paul von Hindenburg of Germany on the Sinking of the <i>Niobe</i> . July 30, 1932	355
256 Message to the Crosscup Pishon Post of the American Legion in Boston, Massachusetts. August 2, 1932	355
257 Statement on the Resignation of Robert P. Lamont as Secretary of Commerce. August 3, 1932	356
258 Statement on the Death of James Francis Burke. August 9, 1932	356
259 Address Accepting the Republican Presidential Nomination. August 11, 1932	357
260 The President's News Conference of August 12, 1932	376
261 Letter Accepting the Resignation of Walter S. Gifford as Director of the President's Organization on Unemployment Relief. August 12, 1932	378
262 Message on Luther Day. August 13, 1932	379
263 Remarks on the Unveiling of a Memorial Statue of James Cardinal Gibbons. August 14, 1932	380
264 Statement Announcing a Conference of Federal Reserve District Banking and Industrial Committees. August 14, 1932	381

List of Items

	<i>Page</i>
265 Message in Tribute to General Leonard Wood. August 17, 1932	383
266 Remarks on Presenting Distinguished Flying Crosses to Aviators Wiley Post and Harold Gatty. August 18, 1932	384
267 The President's News Conference of August 23, 1932	384
268 Letter to Reverend Daniel A. Poling on Prohibition. August 23, 1932	388
269 Letter to Senator Reed Smoot on Representation of Silver Interests at the World Economic Conference. August 23, 1932	389
270 Remarks on Presenting the Congressional Medal of Honor to Commander Claude A. Jones. August 24, 1932	389
271 Message to President Gabriel Terra on Uruguay's Inde- pendence Day. August 25, 1932	390
272 Address to the Conference of the Federal Reserve District Banking and Industrial Committees. August 26, 1932	390
273 Letter Accepting the Resignation of Hanford MacNider as United States Minister to Canada. August 31, 1932	397
274 Message to the United States Building and Loan League. September 1, 1932	397
275 Letter to the President of the Civil Service Commission on Political Activity of Federal Employees. September 2, 1932	398
276 Letter to the Postmaster General Directing the Reinstatement of a Postal Clerk. September 2, 1932	399
277 Message to Scholastic Magazine. September 3, 1932	401
278 Message in Tribute to Thomas Alva Edison. September 4, 1932	402

List of Items

	<i>Page</i>
279 Message to Abelardo Rodríguez on His Inauguration as President of Mexico. September 6, 1932	402
280 Message to the Lafayette-Marne Day Committee. September 6, 1932	403
281 Message to the Affiliated Better Business Bureaus Conference. September 9, 1932	403
282 The President's News Conference of September 9, 1932	404
283 Statement on the Public Works Program. September 9, 1932	406
284 Letter Accepting the Resignation of J. W. Pole as Comptroller of the Currency. September 9, 1932	407
285 Statement on the Justice Department Investigation of the Bonus Army. September 10, 1932	409
286 Message on the Launching of Two Freighters of the Steamtrain Line. September 11, 1932	420
287 Memorandum to Federal Departments and Agencies on Reduction of Federal Expenditures. September 11, 1932	421
288 Message on the 50th Anniversary of the First Commercial Electric Lighting and Generating Station. September 12, 1932	422
289 The President's News Conference of September 13, 1932	423
290 Statement on Reorganization of the Executive Branch. September 13, 1932	424
291 Telegram to the Chairman of the Republican National Committee on Election Results in Maine. September 13, 1932	425
292 Message to the National Tax Association Convention. September 14, 1932	426

List of Items

	<i>Page</i>
293 Statement on the Veterans' Bonus. September 14, 1932	426
294 Address to the Welfare and Relief Mobilization Conference. September 15, 1932	429
295 Letter to the Central Executive Committee of the Federal Reserve District Banking and Industrial Committees on Agricultural Loans. September 15, 1932	434
296 Message to the American Trade Association Executives. September 15, 1932	435
297 Message to President Ricardo Jiménez on Costa Rica's Independence Day. September 15, 1932	435
298 Message to President José María Moncada on Nicaragua's Independence Day. September 15, 1932	436
299 Message to President Vicente Mejía Colindres on Honduras' Independence Day. September 15, 1932	436
300 Message to President Jorge Ubico on Guatemala's Independence Day. September 15, 1932	436
301 Message to the Daughters of the American Revolution. September 16, 1932	437
302 Message on the Dedication of Memorials to Three Prominent Ohio Republicans. September 17, 1932	437
303 Message on Rosh Hashanah. September 18, 1932	438
304 Statement on German Participation in the General Disarmament Conference. September 20, 1932	438
305 Message to Governor Gifford Pinchot of Pennsylvania on the Reconstruction Finance Corporation. September 20, 1932	439
306 Message to a Banquet Honoring Joe Weber and Lew Fields. September 25, 1932	440

List of Items

	<i>Page</i>
307 Remarks Upon Laying the Cornerstone of the New Post Office Department Building. September 26, 1932	441
308 Message to King Christian X of Denmark on His Birthday. September 26, 1932	443
309 White House Statement on Crop Production Loans to Wheat Farmers. September 27, 1932	444
310 Message to Governor James R. Beverley on Hurricane Relief for Puerto Rico. September 28, 1932	445
311 Radio Address to the Women's Conference on Current Problems. September 29, 1932	446
312 Message on Receiving an Award From the Catholic Boys' Brigade of the United States. September 29, 1932	450
313 Message About the Farm Mortgage Relief Conference. September 29, 1932	450
314 Letter to Mollie Brown-Carran Requesting Her To Join the Campaign Train En Route to Des Moines, Iowa. September 29, 1932	451
315 Message on the Completion of the Greenspan Brothers Warehouse. September 29, 1932	452
316 Message to the Fifth Avenue Association of New York City. September 30, 1932	452
317 Message to the Massachusetts Republican State Convention. September 30, 1932	453
318 Remarks to the Republican Joint National Planning Committee To Get Out the Negro Vote. October 1, 1932	453
319 Message to President Paul von Hindenburg of Germany on His Birthday. October 2, 1932	455
320 Message to the Annual Safety Congress of the National Safety Council. October 3, 1932	455

List of Items

	<i>Page</i>
321 Rear Platform Remarks in Illinois and Iowa. October 4, 1932	456
322 Address at the Coliseum in Des Moines, Iowa. October 4, 1932	459
323 Remarks at the Shrine Auditorium in Des Moines, Iowa. October 4, 1932	486
324 Remarks at the State House Plaza in Des Moines, Iowa. October 4, 1932	487
325 Remarks to Iowa Newspaper Editors at the Fort Des Moines Hotel. October 4, 1932	487
326 Rear Platform Remarks in Fort Wayne, Indiana. October 5, 1932	490
327 Message of Sympathy to Emperor Hirohito on the Death of Three Japanese Aviators. October 5, 1932	491
328 Radio Address to the Women of America. October 7, 1932	491
329 Statement on National Pharmacy Week. October 8, 1932	500
330 Message to the Founder's Day Celebration of the Young Men's Christian Association. October 8, 1932	501
331 Statement on Columbus Day. October 8, 1932	501
332 Message to the 116th Street Synagogue in New York City. October 9, 1932	502
333 Message to the Chenango County Republican Women's Education League. October 9, 1932	502
334 Message to President Lin Sen on China's Independence Day. October 11, 1932	503
335 Address to the American Bar Association. October 12, 1932	503

List of Items

	<i>Page</i>
336 Rear Platform Remarks in West Virginia, Maryland, Pennsylvania, and Ohio. October 15, 1932	511
337 Address in Cleveland, Ohio. October 15, 1932	519
338 Radio Address to the Nation on the Campaign for Community Funds for Relief. October 16, 1932	543
339 Message to the Federation for the Support of the Jewish Philanthropic Societies. October 16, 1932	544
340 Message to a Testimonial Dinner Honoring Charles H. Johnson. October 17, 1932	545
341 Message to the Cotton Textile Institute. October 19, 1932	546
342 Telegram to the Chairman of the Republican Party Campaign in Southern California About Oil Tariffs. October 19, 1932	546
343 Letter to the Chairman of the Silver Bow County Republican Committee on the World Economic Conference. October 20, 1932	547
344 Message to the Wyoming State Chairman of the Hoover-Curtis Committee About the Protective Tariff. October 21, 1932	549
345 Message to the First Voters' Donovan-for-Governor League. October 21, 1932	549
346 Rear Platform and Other Informal Remarks in West Virginia, Ohio, and Michigan. October 22, 1932	550
347 Address in Detroit, Michigan. October 22, 1932	568
348 Address to the American Public Health Association. October 24, 1932	593
349 Letter to the Chairman of the United States Tariff Commission Requesting an Investigation of Certain Tariff Schedules. October 24, 1932	595

List of Items

	<i>Page</i>
350 Message to a Celebration Honoring William Penn. October 24, 1932	596
351 Message to the Emergency Unemployment Relief Committee of New York City. October 25, 1932	597
352 Message to the Atlantic Deeper Waterways Association. October 26, 1932	597
353 White House Statement on Charges of Unfair Labor Practices on Flood Control Projects on the Lower Mississippi River. October 26, 1932	598
354 White House Statement on Equality of Opportunity in Employment. October 26, 1932	599
355 Message Supporting a Fundraising Drive for the Jewish Hospital of Brooklyn, New York. October 26, 1932	600
356 Statement on Navy Day. October 27, 1932	601
357 Rear Platform Remarks in West Virginia, Ohio, and Indiana. October 28, 1932	601
358 Address in Indianapolis, Indiana. October 28, 1932	609
359 Message to President Thomas G. Masaryk on Czechoslovakia's Independence Day. October 28, 1932	633
360 Rear Platform Remarks in West Virginia. October 29, 1932	633
361 Message to President Mustapha Kemal on Turkey's Independence Day. October 29, 1932	640
362 Message to the American Bible Society on Universal Bible Sunday. October 30, 1932	640
363 Rear Platform and Other Informal Remarks in Maryland, Delaware, Pennsylvania, and New Jersey. October 31, 1932	641

List of Items

	<i>Page</i>
364 Address in Newark, New Jersey. October 31, 1932	650
365 Remarks to a Group of Disabled War Veterans. October 31, 1932	656
366 Address at Madison Square Garden in New York City. October 31, 1932	656
367 Remarks at Carnegie Hall in New York City. October 31, 1932	680
368 Message to the Young Republican League. October 31, 1932	681
369 Message to the American Artists Professional League. October 31, 1932	682
370 Message to Jennie Hobart for Use at a Political Meeting. November 1, 1932	682
371 Address to the California Society of Washington, D.C. November 2, 1932	683
372 Message to the New Jersey Republican Campaign Committee About the President's Position on Prohibition. November 2, 1932	694
373 Message to President Harmodio Arias on Panama's Independence Day. November 3, 1932	695
374 Message to the Zionist Organization of America on the Anniversary of the Balfour Declaration. November 3, 1932	695
375 Rear Platform Remarks in Connellsville, Pennsylvania. November 3, 1932	696
376 Rear Platform Remarks in Indiana and Illinois. November 4, 1932	696
377 Address in Springfield, Illinois. November 4, 1932	703

List of Items

	<i>Page</i>
378 Address in St. Louis, Missouri. November 4, 1932	716
379 Rear Platform and Other Informal Remarks in Illinois and Wisconsin. November 5, 1932	737
380 Address in St. Paul, Minnesota. November 5, 1932	746
381 Message to the Gustavus Adolphus Tricentennial Festival. November 6, 1932	768
382 The President's News Conference of November 6, 1932	769
383 Remarks in Denver, Colorado. November 6, 1932	773
384 Statement on Philippine Independence and Sugar Tariffs and Trade. November 7, 1932	775
385 Statement About Agricultural Tariffs. November 7, 1932	776
386 Rear Platform Remarks in Wyoming and Utah. November 7, 1932	777
387 Address in Salt Lake City, Utah. November 7, 1932	779
388 Rear Platform Remarks in Utah and Nevada. November 7, 1932	791
389 Radio Address to the Nation from Elko, Nevada. November 7, 1932	795
390 Rear Platform and Other Informal Remarks in California. November 8, 1932	799
391 Message Congratulating Franklin D. Roosevelt on His Victory in the Presidential Election. November 8, 1932	804
392 The President's News Conference of November 9, 1932	805
393 Message to the Dedication Ceremonies for the Tomb of the Unknown Soldier. November 11, 1932	808
394 Rear Platform and Other Informal Remarks in California and Nevada. November 12, 1932	808

List of Items

	<i>Page</i>
395 Telegram to President-Elect Franklin D. Roosevelt About Intergovernmental Debts. November 13, 1932	813
396 The President's News Conference of November 13, 1932	817
397 Rear Platform Remarks in New Mexico and Kansas. November 14, 1932	821
398 Message Supporting the Annual Membership Drive of the American National Red Cross. November 14, 1932	821
399 White House Statement About a Meeting With President-Elect Roosevelt. November 17, 1932	822
400 White House Statement About a Meeting With Certain Members of Congress. November 17, 1932	823
401 Message to the Police Commissioner of New York City. November 18, 1932	823
402 White House Statement on the Federal Budget. November 19, 1932	824
403 Message to the Dedication Ceremony of the Wright Brothers National Memorial. November 19, 1932	824
404 Message to the Chairman of the Share-the-Work Organization. November 21, 1932	825
405 White House Statement About a Meeting With President-Elect Roosevelt. November 22, 1932	826
406 Message on the Presentation of the American Hebrew Medal to Dr. John H. Finley. November 22, 1932	826
407 Statement on Intergovernmental Debts. November 23, 1932	827
408 Radio Remarks on the Christmas Seals Campaign of the National Tuberculosis Association. November 25, 1932	834

List of Items

	<i>Page</i>
409 Message of Sympathy on the Death of Leonor Llorente de Calles. November 26, 1932	835
410 Message of Sympathy on the Death of Edwin A. Van Valkenburg. November 27, 1932	835
411 Message to the National Conference on the Costs of Medical Care. November 28, 1932	836
412 Message to Alfred J. McCosker on His Election as President of the National Association of Broadcasters. December 1, 1932	837
413 Message to the Chief of Police of Newark, New Jersey. December 1, 1932	837
414 Message to the Annual Convention of the Camp Directors of America. December 2, 1932	838
415 Message on the Army-Navy Football Game. December 3, 1932	839
416 Message of Sympathy on the Death of Mrs. H. Otto Wittpenn. December 5, 1932	839
417 Message to President Pehr Evind Svinhufvud on Finland's Independence Day. December 6, 1932	840
418 Letter to Judge James H. Wilkerson Accepting His Request Not To Resubmit His Nomination to the Seventh Circuit Court of Appeals. December 6, 1932	840
419 Annual Message to the Congress on the State of the Union. December 6, 1932	841
420 Message to the Federal Council of the Churches of Christ in America. December 6, 1932	854
421 Annual Budget Message to the Congress, Fiscal Year 1934. December 7, 1932	855

List of Items

	<i>Page</i>
422 Message to the Congress Transmitting the 18th Annual Report of the National Advisory Committee for Aeronautics. December 8, 1932	881
423 Special Message to Congress on Reorganization of the Executive Branch. December 9, 1932	882
424 Address to the Gridiron Club. December 10, 1932	891
425 Remarks on Accepting the Deed to Theodore Roosevelt Island. December 12, 1932	895
426 Message to the Daily News of St. Thomas on Conditions in the Virgin Islands. December 13, 1932	896
427 Remarks on Laying the Cornerstones of the Department of Labor and Interstate Commerce Commission Building. December 15, 1932	897
428 Message to the National Retail Dry Goods Association. December 15, 1932	899
429 Message to the Musicians Symphony Orchestra. December 15, 1932	900
430 Message to King Alexander I of Yugoslavia Offering Birthday Greetings. December 17, 1932	900
431 Special Message to the Congress on Intergovernmental Debts and International Economic Conditions. December 19, 1932	901
432 Christmas Message to Disabled Veterans. December 20, 1932	908
433 Message to the Porto Rico Child Feeding Committee. December 21, 1932	908
434 Statement on the Conduct of Foreign Relations. December 22, 1932	909

List of Items

	<i>Page</i>
435 Introduction to a Series of Articles in the Scientific Monthly. December 23, 1932	914
436 Message to the Nation's Christmas Tree Association. December 25, 1932	916
437 Statement on the Report of the President's Research Committee on Social Trends. January 2, 1933	916
438 Message Commemorating the Anniversary of the Emancipation Proclamation. January 2, 1933	918
439 The President's News Conference on January 3, 1933	918
440 Statement About Reorganization of the Executive Branch. January 3, 1933	921
441 White House Statement About Appropriations for United States Participation in the General Disarmament Conference and the International Monetary and Economic Conference. January 3, 1933	923
442 Remarks to the Conference on the Crisis in Education. January 5, 1933	924
443 Special Message to the Congress on the Death of Calvin Coolidge. January 5, 1933	925
444 Proclamation 2024, Announcing the Death of Calvin Coolidge. January 5, 1933	926
445 Message to the Annual Dinner of the Society of the Genesee Honoring Edward Bausch. January 9, 1933	927
446 Message to the Congress on the International Convention for the Suppression of International Trade in Arms and Ammunition and Implements of War. January 10, 1933	928
447 Message to a Conference of the International Save the Children Fund. January 10, 1933	929

List of Items

	<i>Page</i>
448 Special Message to the Congress on Bankruptcy Legislation. January 11, 1933	930
449 Veto of a Bill Providing for the Independence of the Philippine Islands. January 13, 1933	932
450 Special Message to the Congress on Federal Expenditures and Revenues. January 17, 1933	940
451 The President's News Conference of January 18, 1933	946
452 The President's News Conference of January 20, 1933	950
453 Statement on Budgetary Deficits and Reorganization of the Executive Branch. January 20, 1933	952
454 White House Statement About a Meeting With President-Elect Roosevelt. January 20, 1933	967
455 Message to The International Benjamin Franklin Society. January 21, 1933	968
456 Veto of a Bill To Supply Deficiency and Supplemental Appropriations. January 24, 1933	968
457 The President's News Conference of January 25, 1933	977
458 Veto of a Bill Authorizing Adjudication of Certain Claims of the Seminole Indians. January 30, 1933	979
459 White House Statement on Appropriation Bills for the Executive Departments. January 30, 1933	980
460 Message of Sympathy on the Death of Frederick G. Bonfils. February 2, 1933	981
461 Remarks to the Interstate Conference of Legislators. February 3, 1933	981
462 The President's News Conference of February 8, 1933	982

List of Items

	<i>Page</i>
463 Remarks on the Dedication of the New WCAU Radio Building in Philadelphia, Pennsylvania. February 10, 1933	984
464 Message to the National Board of Review of Motion Pictures. February 10, 1933	985
465 Address at the Lincoln Day Dinner in New York City. February 13, 1933	985
466 Message to President-Elect Roosevelt About His Escape From Assassination. February 15, 1933	997
467 Message to the Federal Bar Association. February 17, 1933	997
468 Message to the Police Commissioner of New York City. February 18, 1933	998
469 Message to the Managing Editor of the News-Herald of Franklin, Pennsylvania. February 18, 1933	999
470 Special Message to the Congress on Pending Legislation To Promote Economic Recovery. February 20, 1933	999
471 Remarks Upon Laying the Cornerstone of the National Archives Building. February 20, 1933	1002
472 Remarks Upon Laying the Cornerstone of the Department of Justice Building. February 23, 1933	1003
473 Message on the 11th Anniversary of Radio Station WOR in New York City. February 23, 1933	1004
474 Message to a Testimonial Dinner Honoring Maurice Schwartz. February 23, 1933	1004
475 Statement About Signing an Act on Reform of Criminal Procedures in Federal Courts. February 25, 1933	1005

List of Items

	<i>Page</i>
476 Letter to the Chairman of the Republican National Committee on the Role of the Republican Party. February 27, 1933	1005
477 Letter Accepting the Resignation of J. Reuben Clark, Jr., as United States Ambassador to Mexico. February 28, 1933	1007
478 Message to the American Braille Press. March 1, 1933	1008
479 Message to the American War Mother Magazine. March 2, 1933	1009
480 Message of Sympathy on the Death of Senator Thomas J. Walsh of Montana. March 3, 1933	1010
481 The President's News Conference of March 3, 1933	1010
482 Statement on the Disapproval of a Bill To Provide Appropriations for Executive Office and Independent Agencies. March 4, 1933	1011

President	Herbert Hoover
Vice President	Charles Curtis

THE CABINET

Secretary of State	Henry L. Stimson
Secretary of the Treasury	Andrew W. Mellon (resigned 2-12-32) Ogden L. Mills (sworn in 2-12-32)
Secretary of War	Patrick J. Hurley
Secretary of the Navy	Charles F. Adams
Attorney General	William D. Mitchell
Postmaster General	Walter F. Brown
Secretary of the Interior	Ray Lyman Wilbur
Secretary of Agriculture	Arthur M. Hyde
Secretary of Commerce	Robert P. Lamont (resigned 8-8-32) Roy D. Chapin (sworn in 8-8-32)
Secretary of Labor	William N. Doak

Herbert Hoover

1932-33

Special Message to the Congress
on the Economic Recovery Program.
January 4, 1932

To the Senate and House of Representatives:

At the convening of the Congress on December 7 I laid proposals before it designed to check the further degeneration in prices and values, to fortify us against continued shocks from world instability and to unshackle the forces of recovery. The need is manifestly even more evident than at the date of my message a month ago. I should be derelict in my duty if I did not at this time emphasize the paramount importance to the nation of constructive action upon these questions at the earliest possible moment. These recommendations have been largely developed in consultation with leading men of both parties, of agriculture, of labor, of banking and of industry. They furnish the bases for full collaboration to effect these purposes. They have no partisan character. We can and must replace the unjustifiable fear in the country by confidence.

The principal subjects requiring immediate action are:

1. The strengthening of the Federal Land Bank System to the farmer and to maintain at the highest level the credit of these institutions which furnish agriculture with much needed capital. This measure has passed the House of Representatives and is now before the Senate.

2. The creation of a Reconstruction Finance Corporation to furnish during the period of the depression credits otherwise unobtainable under existing circumstances in order to give confidence to agriculture, industry and labor against further paralyzing influences. By such prompt assurance we can reopen many credit channels and reestablish the normal working of our commercial organization and thus contribute greatly to reestablish the resumption of employment and stability in prices and values.

3. The creation of a system of Home Loan Discount Banks in order to revive employment by new construction and to mitigate the difficulties of many of our citizens in securing renewals of mortgages on their homes and farms. It has the further purpose of permanent encouragement of home ownership. To accomplish these purposes we must so liberate the resources of the country banks, the savings banks and the building and loan associations as to restore these institutions to normal functioning. Under the proposal before the Congress the most of the capital of these Discount Banks would be subscribed by the institutions participating in their use and such residue as might be necessary for the federal government to supply temporarily would be repaid in time by such institutions as in the case of the Farm Loan Banks when they were first organized.

4. The discount facilities of our Federal Reserve Banks are restricted by law more than that of the central banks in other countries. This restriction in times such as these limits the liquidity of the banks and tends to increase the forces of deflation, cripples the smaller businesses, stifles new enterprise and thus limits employment. I recommend an enlargement of these discount privileges to take care of emergencies. To meet the needs of our situation it will not be necessary to go even as far as the current practice of foreign institutions of similar character. Such a measure has the support of most of the Governors of the Federal Reserve Banks.

5. The development of a plan to assure early distribution to depositors in closed banks is necessary to relieve distress among millions of small depositors and small businesses, and to release vast sums of money now frozen.

6. Revision of the laws relating to transportation in the direction recommended by the Interstate Commerce Commission would strengthen our principal transportation systems and restore confidence in the bonds of our railways. These bonds are held largely by our insurance companies, our savings banks, and benevolent trusts and are therefore the property of nearly every family in the United States. The railways are the largest employers of labor and purchasers of goods.

7. Revision of banking laws in order to better safeguard depositors.

8. The country must have confidence that the credit and stability of the Federal Government will be maintained by drastic economy in expenditure, by adequate increase of taxes, and by restriction of issues of Federal securities. The recent depreciation in prices of government securities is a serious warning which reflects the fear of further large and unnecessary issues of such securities. Promptness in adopting an adequate budget relief to taxpayers by resolute economy and restriction in security issues is essential to remove this uncertainty.

Combating a depression is indeed like a great war in that it is not a battle upon a single front but upon many fronts. These measures are all a necessary addition to the efficient and courageous efforts of our citizens throughout the nation. Our people through voluntary measures and through state and local action are providing for distress. Through the organized action of employers they are securing distribution of employment and thus mitigating the hardships of the depression. Through the mobilization of national credit associations they are aiding the country greatly. Our duty is so to supplement these steps as to make their efforts more fruitful.

The United States has the resources and resilience to make a large measure of recovery independent of the rest of the world. Our internal economy is our primary concern and we must fortify our economic structure in order to meet any situation that may arise and by so doing lay the foundations for recovery.

This does not mean that we are insensible to the welfare of other nations or that our own self-interest is not involved in economic rehabilitation abroad which would restore the markets for our agricultural and other commodities. But it is our duty to devote ourselves to the problems of our own internal economy not only as the first necessity to domestic welfare but as our best contribution to the stability of the world as a whole.

Action in these matters by the Congress will go far to reestablish confidence, to restore the functioning of our economic system, and to rebuilding of prices and values and to quickening employment. Our

justified hope and confidence for the future rests upon unity of our people and of the government in prompt and courageous action.

HERBERT HOOVER

The White House,
January 4, 1932.

2

White House Statement on Domestic Health Conditions.
January 4, 1932

MORTALITY in the United States during the year just ended was as low as in 1930 and definitely lower than in the 2 previous years. This fact is indicated by records already available. In 82 large cities the mortality rate from all causes for 1931 was 11.7 per 1,000 against 11.9 in 1930, 48 cities showing a decrease, and 28 an increase, and 6 remaining the same. Among 75 million industrial policyholders the death rate in 1931 was the same as in 1930 and appreciably below the 1928 and 1929 rates. Available data from the entire population of a number of States for the first three quarters of the year confirm these indications.

Of special interest is the last quarter of 1931, since it includes the beginning of winter, when mortality is commonly experienced. Records for this last quarter in the group of 82 large cities, as compared with the same period in the 3 preceding years, indicate that the mortality at the beginning of the winter of 1931-32 has continued on a very favorable level, the rate being only 10.7 per 1,000 as compared to 11.4, 12.0, and 13.2 in the last quarters of 1930, 1929, and 1928, respectively. Industrial policyholders likewise manifest a low mortality during the last 3 months of 1931, the rate in this group being 8.7 per 1,000 during that period as compared to 9.0, 9.1, and 9.4 during the last quarter of 1930, 1929, and 1928, respectively.

More precise measures of the trend of mortality during the past year are not yet available, for instance, with respect to specific causes or in particular age groups. Data appear to indicate, however, a continuation of the downward trend of mortality from pulmonary tuberculosis and many other causes.

Infant mortality during the past year, based on the number of deaths under 1 year of age per 1,000 live births, in 70 large cities, was definitely lower than in any preceding year on record, the rate being 55.8 against 58.1 for 1930, the most favorable preceding year. This especially creditable showing has persisted during the last weeks of the year, the rate for the final quarter being 46.6 against an average of 56.9 for the corresponding period in the 3 preceding years and against 51.9 for the same period of 1929, the lowest previous rate.

Responses from State, city, and local health officers to inquiries regarding health conditions generally confirm the impression given by the data quoted above that 1931 has been a favorable year. While in certain local areas reports indicate an increase in malnutrition among children, the reports in general for 1931 show an improvement in this condition. Many more people are asking for charity medical services and this gives the impression at first that there is an increase in sickness, but to counterbalance this there are many reports of decreases in paid medical practice. To meet this added burden upon free clinics and hospitals, there has been an increase in local contributions for such purposes.

NOTE: The statement was based on statistics in Surgeon General Hugh S. Cumming's letter of January 2, 1932. The statistics referred to in his letter are in the form of charts and tables which are available for examination at the Herbert Hoover Presidential Library.

Surgeon General Cumming's letter follows:

My dear Mr. President:

I am very glad to be able to report to you that despite the economic depression throughout this country during the past year we have every reason to be thankful that in the matter of the most important wealth of the people, their health, the country has never been as prosperous in its history as during the year 1931, so far as we are able to ascertain by statistics which are attached hereto for your information, and which include report for the whole year with the exception of last week.

I feel that this gratifying condition has been due not only to the absence of unpreventable epidemic diseases but in large part to the aroused interest of people to the importance of looking out for health during the year and to increased efficiency of the State and local health authorities, together with devoted self-

sacrifice of the medical profession who have upheld the best traditions of the profession in furnishing their services regardless of possible remuneration.

I am not unmindful of the apparent increase in sickness due to the largely increased call upon free dispensary and hospital services, but on the other hand reports which have reached me from physicians engaged in private practice all over the country indicate that the increase in attendance at free hospitals and dispensaries is in large measure offset by decrease in pay practice of private physicians.

Respectfully,

HUGH S. CUMMING,

Surgeon General

[The President, The White House, Washington]

3

The President's News Conference of *January 5, 1932*

THE PRESIDENT. I haven't found any specific news this morning. I have two subjects that are purely background.

ECONOMIC RECOVERY PROGRAM

I have been very much gratified at the reception that the message I sent yesterday had both in the press and in the Congress, and the congressional committees are deeply engrossed in those measures, and I am anticipating expeditious action. The whole disposition of Congress is to devote itself to the emergency. We must remember that all of those emergency measures are extremely complicated, and there is a great deal of detail to be worked out, and necessarily it cannot be done in 48 hours. The committees have got to possess themselves of a great deal of information and work out conflicting opinion, but there is every reason for expectation of very prompt action on the emergency program.

GENERAL DISARMAMENT CONFERENCE

I am having the arms delegation in this afternoon, and there are some matters in connection with armament that might be of interest to you. The Conference, as you know, is more concerned with land armaments than it is with naval armament, and from the point of view

6

of land armament the United States is per capita the least armed of any of the great nations. The American Army, together with all of the reserves—National Guard and other forms of reserve—on the basis of valuation which was established by the technical committees dealing with this problem, does not work out at more than one full-time soldier to about 900 population. You will remember that in the Treaty of Versailles in establishing an army for Germany that would be sufficient to maintain internal order, it was established on the basis of 100,000 men for a population of 65 million, that is 1 to 650. So that on that basis the American Army is about the size required or the size enunciated at least in Europe as the necessity for maintenance of internal order. So that I merely mention that basis of evaluation just to show you that we haven't a domestic problem in land armament, and the work of the American delegation is largely contributory towards the problems which concern Europe. There is nothing in respect to the American Army of any consequence. We are not proposing any program of leadership but to assist in trying to bring about working results in the European situation, so far as we can do so with propriety.

I don't know as I have anything else this morning of any consequence.

NOTE: President Hoover's two hundred and twenty-seventh news conference was held in the White House at 12 noon on Tuesday, January 5, 1932.

On the same day, the President held a luncheon meeting with Secretary of State Henry L. Stimson, Assistant Secretary of State James G. Rogers, and members of the General Disarmament Conference delegation, including Ambassador to Great Britain Charles G. Dawes, Senator Claude A. Swanson, Norman H. Davis, Mary Emma Woolley, and J. Theodore Marriner.

4

Message to the New York Association for the Blind.
January 5, 1932

[Released January 5, 1932. Dated November 23, 1931]

My dear Dr. Finley:

In congratulating the New York Association for the Blind on its 25th anniversary I also congratulate the thousands of men, women and

[5] Jan. 5

Public Papers of the Presidents

children to whom its ministrations have brought kindly care, training, employment, confidence and courage. I trust that this pioneer Lighthouse may increasingly shed rays of helpfulness and happiness into the lives of its beneficiaries.

Yours faithfully,

HERBERT HOOVER

[Dr. John H. Finley, President, the New York Association for the Blind, 111 East 59th Street, New York City]

NOTE: The message was released in conjunction with the beginning of the organization's annual fund drive.

5

Message to the Colorado Conference
on Child Health and Protection.

January 5, 1932

My dear Governor Adams:

I shall appreciate it if you will present my cordial greetings to the Colorado White House Conference on Child Health and Protection. It is most gratifying to see such interest in acquainting officials and citizens with the findings of the nation-wide study and the Conference in Washington, and effective efforts to translate the principles of the Children's Charter into practice. The realization of these ideals would contribute greatly to the health and wellbeing of the children of Colorado, and I trust that your Conference will be fruitful of inspiration and practical effect.

Yours faithfully,

HERBERT HOOVER

[Hon. William H. Adams, Governor of Colorado, Denver, Colorado]

NOTE: Similar messages were sent to conferences in Arkansas, California, Delaware, Iowa, Kansas, Kentucky, Ohio, Oregon, South Dakota, Tennessee, Texas, Washington, Wyoming, and Detroit, Mich.

8

6

Statement on the Death of Julius Rosenwald.

January 6, 1932

THE PRESIDENT said:

"The death of Julius Rosenwald, which occurred in Chicago today, deprives the country of an outstanding citizen. His business ability found expression in commercial achievements of great magnitude and importance. His patriotism was reflected both in his services in the cause of national defense during the war and in his devotion to the upbuilding of the life of the community and the country in times of peace. One of his most conspicuous contributions to the public welfare was through his humanitarian activities. His warmhearted human sympathy for all mankind resulted in munificent gifts for the advancement of public health, education, housing, and the wide reach of social amelioration. He was a distinguished patron of the arts. The foundation which he created for the 'well-being of mankind' constitutes a monument to his vision, sympathy, and generosity."

NOTE: Mr. Rosenwald was chairman of the board of Sears, Roebuck and Company and sponsor of numerous philanthropic endeavors.

7

Remarks Welcoming Representatives
of Pennsylvania's Unemployed.

January 7, 1932

I AM GLAD to receive you as the representatives of Pennsylvania unemployed. I have an intense sympathy for your difficulties.

I have considered that the vital function of the President and of the Federal Government was to exert every effort and every power of the Government to the restoration of stability and employment in our

country which has been so greatly disturbed, largely from abroad. The Federal Government is spending now half a billion a year above normal to give employment. Worldwide depressions and their result in unemployment are like great wars. They must be fought continuously, not on one front but upon many fronts. It cannot be won by any single skirmish or any panacea. In the present and what I believe is the final campaign against the depression, I have laid a program before Congress, and I trust we will secure its early adoption. The real victory is to restore men to employment through their regular jobs. That is our object. We are giving this question our undivided attention.

NOTE: The President spoke at 12:30 p.m. in the White House to a delegation headed by Rev. James R. Cox of Pittsburgh, Pa.

On January 6, 1932, a group of 12,000 unemployed Pennsylvanians arrived in Washington, D.C., and on the following day petitioned the Congress for direct Federal aid to the unemployed.

8

Message to the Diphtheria Prevention Commission.

January 7, 1932

[Released January 7, 1932. Dated December 10, 1931]

My dear Mr. Lamont:

On the occasion of your luncheon to publishers and other citizens interested in the prevention of diphtheria, I should like to extend my hearty congratulations to the Diphtheria Prevention Commission which is completing its three-year demonstration program. It has given convincing proof that the disease can be prevented by the organized application of scientific knowledge. To have secured the immunization of more than half a million children is life saving work of the first magnitude. To have reduced the number of cases by more than half and deaths by over two thirds, is an impressive example to the rest of

the country. The part played by the press in this educational effort merits grateful recognition.

Yours faithfully,

HERBERT HOOVER

[Mr. Thomas W. Lamont, Chairman, Diphtheria Prevention Commission, 505 Pearl Street, New York City]

NOTE: The message was read at a luncheon meeting of the Commission's editorial consultation board which was held at the Harvard Club in New York City.

9

The President's News Conference of
January 8, 1932

FEDERAL EXPENDITURES

THE PRESIDENT. I want to again take occasion to emphasize to the full extent of my abilities the necessity, as a fundamental to economic recovery, that we practice economy in Federal Government expenditures. The country must realize that we cannot continue to live in a depression on a scale that was possible in times of prosperity.

The developments during the last week give great assurances to the country in this direction. The statement of the Republican and Democratic leaders ¹ of both the Senate and the House show a real nonpartisan determination to cooperate with the administration to assure the country of the balancing of the Federal budget of expenditures and income of the fiscal year beginning next July. The amount of taxes that we will need to impose for this purpose, of course, depends on the amount of the further cuts that can be made in expenditures, and I welcome any reduction that can be made and still preserve the proper and the just functioning of the Government. With the general realization of the necessity for reductions in expenditure, we should at least be able to bring about the wholesale elimination of overlapping in governmental

¹ On January 6, 1932, the Democratic Congressional Policy Committee pledged support for budget-balancing efforts.

machinery, out of which we can get some very important economies. And with the program which has now been assured, we can also maintain the stability and credit of the Federal Government by having no increase in the national debt beyond that necessary to cover the deficit for this year, as with a balanced budget for next year we would have no increases in the debt.

But the balancing of next year's expenditures and receipts and the limitation of borrowing implies the most resolute opposition to any new and enlarged activities of the Government. With the assurances that we now have from the leaders in Congress on both sides, I do not believe there is any ground for recurrent apprehension on the part of the public of a flood of extravagant proposals as represented by bills that have been introduced in the Congress. Those bills imply an increase in governmental expenditure by something over \$40 billion in a period of 5 years, or over 8 billions per annum in addition to the current expenditure of the Government. The great majority of them, however, are introduced or have been advanced by organizations of some section—by some sectional interest, and are little likely to see the light of day from committees of Congress. They do, however, represent a continued spirit of spending in the country that just must be abandoned. I realize that drastic economy requires sacrifice of large hopes of expenditures promoted by such interests, but I do appeal to their sense of patriotism in these times not to press those demands on the Congress. They should, in fact, withdraw their pressures on public officials.

Rigid economy is the real road to relief to homeowners, farmers, workers, and every element of the population. The proposed budget of the Federal Government for the next fiscal year amounts to about 4 billions, of which over \$2,800 million is for debt, military and veteran services, and nearly half the balance is for aid to employment in construction works and for aids to agriculture. And it is worth noting that the State and local expenditures in the country amount to nearly 9 billions from the taxpayers. The Federal Government itself oftentimes contributes to this by appropriations requiring matching of money

by the States, and the result is pressure on State officials by the people interested in such expenditures who will receive the benefits from them, and makes the State officials and municipal officials the unwilling victims of Government costs.

But our first duty as a nation is to put our governmental house in order—national, State, and local. With the return of prosperity the Government can undertake constructive projects both of a social character and in public improvement, but we just cannot squander ourselves into prosperity. The reduction in governmental expenditures and the stability of Government finance is the most fundamental step that we can take to this end. It can contribute greatly to employment and the recovery of prosperity in agriculture, and it must be our concentrated purpose now.

I have no further news today.

NOTE: President Hoover's two hundred and twenty-eighth news conference was held in the White House at 4 p.m. on Friday, January 8, 1932.

On the same day, the White House issued a text of the President's statement on Federal expenditures (see Item 10).

10

Statement on Federal Expenditures.

January 8, 1932

THE PRESIDENT said:

"I wish to emphasize to the full extent of my ability the necessity, as a fundamental to recovery, the utmost economy of governmental expenditure of all kinds. Our people must realize that Government cannot continue to live in a depression upon the scale that was possible in times of great prosperity.

"The developments of the past week should give great assurances to the country. The public statements of the Republican and Democratic leaders of the Senate and House show a real nonpartisan determination in cooperation with the administration to assure the country of the

balancing of the Federal expenditures and income for the fiscal year beginning July 1. The amount of taxes we will need to impose for this purpose will depend entirely upon what further cuts we can make in Government expenditures. The budget before Congress represents a reduction of 360 million in Federal expenditures for the next fiscal year. I shall welcome any further reduction which can be made and still preserve the proper and just functioning of the Federal Government. With the general realization of the necessity of reductions in expenditures, we should also at last be able to bring about the wholesale elimination of overlapping in the Federal Government bureaus and agencies which will also contribute materially to the program of economy.

“With this program we are thus assured that we can maintain the full stability and credit of the Federal Government by no increase in the public debt after covering the deficit of this fiscal year and no further increase after the first of next July.

“The balancing of next year’s expenditure and receipts and the limitation of borrowing implies the resolute opposition to any new or enlarged activities of the Government. With the assurances which have now been given from the leaders in Congress, I do not believe there is any ground for apprehension by the public from the flood of extravagant proposals which have been introduced there. It is true that these bills would imply an increase of Government expenditure during the next 5 years of over \$40 billions or more than 8 billions per annum. The great majority of these bills have been advanced by some organization or some sectional interest and are little likely to see the light of day from congressional committees. They do, however, represent a spirit of spending in the country which must be abandoned. I realize that drastic economy requires sacrifice of large hopes of expenditures promoted by such interests. However, I appeal to their sense of patriotism in these times not to press their demands. They should withdraw the pressures upon governmental officials.

“Rigid economy is a real road to relief to homeowners, farmers, workers, and every element of our population. The proposed budget

of Federal Government expenditures for the next fiscal year amounts to about \$4 billion of which over \$2,800 million is for debt, military and veterans services, and nearly half the balance is for aid to employment in construction works and as aids to agriculture. It is worth noting that the State and local government expenditures of the country amount to nearly 9 billion. The Federal Government itself oftentimes contributes to increased State and local expenditure by appropriations requiring a matching of money by the States. The result is pressure upon State officials by the groups who will receive benefits from these expenditures and makes them the unwilling victims of increased Government costs.

“Our first duty as a nation is to put our governmental house in order—national, State, and local. With the return of prosperity the Government can undertake constructive projects both of social character and in public improvement. We cannot squander ourselves into prosperity. The people will, of course, provide against distress but the purpose of the Nation must be to restore employment by economic recovery. The reduction in governmental expenditures and the stability of Government finance is the most fundamental step towards this end. It can contribute greatly to employment and the recovery of prosperity in agriculture. That must be our concentrated purpose.”

NOTE: On January 6, 1932, the Democratic Congressional Policy Committee pledged support for budget-balancing efforts.

11

Statements on the Governor Generalship of the Philippines.

January 9, 1932

IN CONNECTION WITH the announcement of Governor General Davis' resignation the President stated:

“Governor General Davis accepted the appointment to the Philippine Islands at great personal sacrifice. His resignation is based upon personal and family reasons, the force of which must, I feel, receive every consideration, particularly in view of the very generous sacrifices which he

has already made in consenting to remain in the Philippine Islands much longer than his personal interests warranted. I have accepted his resignation with the greatest reluctance. His administration of the affairs of the Philippine Islands has been eminently able and successful and constitutes a fitting continuation of the distinguished service he previously rendered as Secretary of War. The 2½ years during which he served in the Philippine Islands have been marked by exceptionally cordial and satisfactory relations between the American chief executive and the legislative and other local authorities. Governor General Davis relinquishes office with the deep regret of all concerned, and with a further claim upon the gratitude and affection of both the American and Filipino people."

With reference to the appointment of Governor Theodore Roosevelt to be Governor General of the Philippines the President stated that:

"Governor Roosevelt, who will be appointed to succeed Governor General Davis in the Philippines, has just completed a period of duty as Governor of Porto Rico, where he has administered the affairs of the island with marked ability and success. His experience in Porto Rico fits him specially to render valuable service in the larger field to which his new appointment will take him."

NOTE: Dwight F. Davis, former Secretary of War (1925-1929), served as Governor General of the Philippines from 1929 to 1932.

Theodore Roosevelt, Jr., served as Governor of Porto Rico from 1929 to 1932.

12

Message on Life Insurance Day.

January 11, 1932

[Released January 11, 1932. Dated December 29, 1931]

My dear Mr. Borden:

I am interested to learn of the plans for Life Insurance Day to focus attention on the part which insurance plays in the economic life of the

nation, as well as in the assurance of individual and family stability. The sixty-eight million policy holders of the country with policies aggregating one hundred nine billion dollars, represent a major stratum in the very bed-rock of our economic life. Insurance not only protects the home and family and their social and spiritual values, but helps to meet current and future needs of expanding industry, commerce and education. I am informed that more than half, or fifty-four per cent of the people of the United States, own life insurance. The individual initiative, foresight and systematic saving which this represents makes for stability in the entire social order.

During the period of economic dislocation through which we are passing insurance has been a major factor in maintaining stability and will contribute to recovery. The mighty reservoir of capital and security which insurance represents is an asset to the individual, to the family and to the country.

Yours faithfully,

HERBERT HOOVER

[Mr. Albert G. Borden, Chairman, Life Insurance Day, 393 Seventh Avenue, New York City]

NOTE: Mr. Borden released the message in conjunction with publicity of Life Insurance Day which was celebrated on January 21, 1932.

13

Letter Accepting the Resignation of Ira E. Robinson
as a Member of the Federal Radio Commission.

January 11, 1932

[Released January 11, 1932. Dated January 9, 1932]

My dear Judge Robinson:

I have your letter of January 8th tendering your resignation as a member of the Federal Radio Commission. I must, of course, accept your wish in the matter. You have performed a real public service and

[14] Jan. 11 *Public Papers of the Presidents*

I wish to express my personal appreciation, to which I know I may add the appreciation of many thousands of your friends and countrymen.

Yours faithfully,

HERBERT HOOVER

[Hon. Ira E. Robinson, Federal Radio Commission, Washington, D.C.]

NOTE: Mr. Robinson was a member of the Federal Radio Commission from 1928 to 1932 and served as Chairman from 1928 to 1930. His letter of resignation, dated January 8, 1932, follows:

My dear Mr. President:

I hereby tender my resignation as a member of the Federal Radio Commission, effective January fifteenth. For four years, I have served to the best of my ability, and I leave the service with a consciousness of duty done.

Respectfully,

IRA E. ROBINSON

[The President, The White House, Washington]

14

Message to the American Road Builders Association.

January 11, 1932

I SHALL BE OBLIGED if you will present my cordial greetings to the annual convention of the American Road Builders Association, which is rendering an important public service, not only in extending the highway system of the country but in connection with an increased road building program as a means of employment. In the period from January nineteen hundred thirty to the end of the current fiscal year the Federal Government is expending over four hundred thirty-nine million dollars for highway building as a part of its total expenditures of more than one billion, five hundred fifty-five million dollars for construction and maintenance in aid of unemployment since the depression began. Road building by the Federal Government and the States and municipalities is a major factor in unemployment relief. Your Association has performed a very useful function in coordinating engineering, manufacturing,

18

equipment and industrial aspects of the program. I trust that your convention may be fruitful in sound plans and policies of such an important factor, both of relief and recovery.

HERBERT HOOVER

[Mr. William R. Smith, President, American Road Builders Association, Book Cadillac Hotel, Detroit, Michigan]

NOTE: The message was read to the convention which met in Detroit, Mich.

15

The President's News Conference of
January 12, 1932

RESIGNATION OF JUSTICE OLIVER WENDELL HOLMES

THE PRESIDENT. I have the following letter from Justice Oliver Wendell Holmes this morning:

"In accordance with the provision of the Judicial Code as amended Section 260—Title 28, United States Code 375, I tender my resignation as Justice of the Supreme Court of the United States of America. The condition of my health makes it a duty to break off connections that I cannot leave without deep regret after the affectionate relations of many years and the absorbing interests that have filled my life. But the time has come, and I bow to the inevitable. I have nothing but kindness to remember from you and from my brethren. My last word should be one of grateful thanks."

I have replied to the Justice:

"I am in receipt of your letter of January 12th tendering your resignation from the Supreme Court of the United States. I must, of course, accept it.

"No appreciation I could express would even feebly represent the gratitude of the American people for your whole life of wonderful public service, from the time you were an officer in the Civil War to this day—

near your ninety-first anniversary. I know of no American retiring from public service with such a sense of affection and devotion of the whole people."

JAMES H. WILKERSON

I am sending up to the Senate today the name of Judge Wilkerson of Chicago, by way of promotion from the district to the circuit bench, as a part of a recognition of the service of the members of the Department of Justice in Chicago in breaking up the gangster life of that city.

Otherwise, I have no further news for you.

NOTE: President Hoover's two hundred and twenty-ninth news conference was held in the White House at 12 noon on Tuesday, January 12, 1932.

On the same day, the White House issued a text of the President's letter accepting the resignation of Oliver Wendell Holmes as an Associate Justice of the Supreme Court of the United States (see Item 16), and a list of endorsers for Judge Wilkerson to be U.S. Judge, Circuit Court of Appeals, Seventh Circuit.

Judge Wilkerson's nomination encountered opposition from organized labor and on December 1, he requested that his nomination not be resubmitted to the Senate (see Item 418).

16

Letter Accepting the Resignation
of Oliver Wendell Holmes as an Associate Justice
of the Supreme Court of the United States.
January 12, 1932

My dear Mr. Justice:

I am in receipt of your letter of January 12th tendering your resignation from the Supreme Court of the United States. I must, of course, accept it.

No appreciation I could express would even feebly represent the gratitude of the American people for your whole life of wonderful public service, from the time you were an officer in the Civil War to this day—near your ninety-first anniversary. I know of no American retiring from

public service with such a sense of affection and devotion of the whole people.

Yours faithfully,

HERBERT HOOVER

[Honorable Oliver Wendell Holmes, Supreme Court of the United States, Washington, D.C.]

NOTE: Justice Holmes had served on the Supreme Court since 1902.

On February 15, 1932, the President nominated Benjamin N. Cardozo to fill the vacancy. The Senate confirmed the nomination on February 24, and he assumed his duties on March 14.

Justice Holmes' letter of resignation, dated January 12, 1932, and released with the President's, follows:

Mr. President:

In accordance with the provision of the Judicial Code as amended Section 260—Title 28 United States Code 375, I tender my resignation as Justice of the Supreme Court of the United States of America. The condition of my health makes it a duty to break off connections that I cannot leave without deep regret after the affectionate relations of many years and the absorbing interests that have filled my life. But the time has come and I bow to the inevitable. I have nothing but kindness to remember from you and from my brethren. My last word should be one of grateful thanks.

With great respect,

Your obedient servant

OLIVER WENDELL HOLMES

17

Message to the Real Estate Board of New York.

January 14, 1932

[Released January 14, 1932. Dated January 7, 1932]

My dear Mr. Phillips:

I have been interested to learn of your plans for a Building Merchandise Exposition as part of a systematic effort to promote modernization and restoration of existing properties for business and residence purposes. Such activity is an important supplement to new construction

[18] Jan. 16 *Public Papers of the Presidents*

and is also desirable as a measure to promote employment. I hope that the exposition may contribute to attaining your objectives.

Yours faithfully,

HERBERT HOOVER

[Mr. Harry D. Phillips, Publications Director, the Real Estate Board of New York, Inc., 12 East 41st Street, New York City]

NOTE: The message was released in conjunction with the opening of New York's first exposition of merchandise and machinery for building maintenance and operation.

18

Message to The International Benjamin Franklin Society.
January 16, 1932

[Released January 16, 1932. Dated January 12, 1932]

My dear Mr. Stout:

Benjamin Franklin's creative mind, world outlook, ardent patriotism, and achievements as a scientist and statesman, have made his memory and influence the heritage of all men. I am confident that the meeting of the International Benjamin Franklin Society will reveal anew the greatness of his character and service.

Yours faithfully,

HERBERT HOOVER

[Mr. J. Robert Stout, President, The International Benjamin Franklin Society, 2305 Woolworth Building, New York City]

NOTE: The message was read at the organization's ninth annual meeting, held in the Plaza Hotel in New York City.

19

Message to the American Palestine Committee.
January 17, 1932

[Released January 17, 1932. Dated January 11, 1932]

My dear Mr. Neumann:

I am interested to learn that a group of distinguished men and women is to be formed to spread knowledge and appreciation of the rehabilitation which is going forward in Palestine under Jewish auspices, and to add my expression to the sentiment among our people in favor of the realization of the age-old aspirations of the Jewish people for the restoration of their national homeland. I shall appreciate it if you will present my cordial greetings to those attending the dinner in Washington on January 17th to advance this enterprise.

Yours faithfully,

HERBERT HOOVER

[Mr. Emanuel Neumann, The Zionist Organization, 111 Fifth Avenue, New York City]

NOTE: The message was read at the organization dinner of the American Palestine Committee which met in the Mayflower Hotel in Washington, D.C.

20

Message to the National Conference on Palestine.
January 17, 1932

[Released January 17, 1932. Dated January 12, 1932]

My dear Mr. Rothenberg:

I am interested to know that a national conference has been called in New York on January 17th to plan for the continued maintenance in the Jewish homeland of those institutions into whose establishment has gone so much of material assistance, labor and sacrifice. Your efforts hold universal significance to Jewry, even as the Jewish people have

[21] Jan. 17 *Public Papers of the Presidents*

made a world contribution to spiritual advancement. I will appreciate it if you will extend to those attending your meeting my cordial greetings and good wishes.

Yours faithfully,
HERBERT HOOVER

[Mr. Morris Rothenberg, National Chairman, American Palestine Campaign of the Jewish Agency for Palestine, 111 Fifth Avenue, New York City]

NOTE: The message was read at the conference which was held in the Hotel Astor in New York City.

21

Message on National Thrift Week.

January 17, 1932

[Released January 17, 1932. Dated January 16, 1932]

My dear Mr. Stout:

Thrift is not hoarding. It is the wise provision against future needs.

Provision against future needs involves savings and wise spending for insurance, home ownership and many other constructive, sensible and discriminating actions. Thrift Week, appropriately beginning on Benjamin Franklin's birthday, January 17th, can contribute to the realization of these concepts. I trust that it may help to realize these timely and necessary objectives.

Yours faithfully,
HERBERT HOOVER

[Mr. J. Robert Stout, National Thrift Committee, 347 Madison Avenue, New York City]

NOTE: The message was released in conjunction with the launching of National Thrift Week, which was held from January 17 to January 23, 1932.

24

22

Message to the Young Men's Christian Association
of New York City.

January 18, 1932

[Released January 18, 1932. Dated January 11, 1932]

My dear Mr. Lawrence:

I shall appreciate it if you will express my cordial congratulations to the Young Men's Christian Association of the City of New York on its eightieth birthday. Its services and influence during more than three quarters of a century have left their imprint upon the life and character of vast numbers of men and youth. It is a record to inspire gratification and confidence for the future. I am particularly pleased to know that even under current handicaps the Association has splendidly expanded its buildings as well as its educational, recreational and character building activities. Your recognition of the importance of maintaining such agencies at maximum strength and efficiency under prevailing conditions and your enterprise in doing so, merits the grateful recognition of the community.

With all good wishes for the increasing usefulness of the Association, I am,

Yours faithfully,

HERBERT HOOVER

[Mr. Richard W. Lawrence, President, Bankers-Commercial Security Co. Inc.,
270 Madison Avenue, New York City]

NOTE: The message was read at the YMCA's annual dinner.

The President's News Conference of
January 19, 1932

RECONSTRUCTION FINANCE CORPORATION

THE PRESIDENT. I have requested General [Charles G.] Dawes to accept the position of President of the new Reconstruction Corporation. It is gratifying to state that he has accepted. Mr. Eugene Meyer, Governor of the Federal Reserve Board, will also be the Chairman of the Board of the Reconstruction Corporation. In order that we may preserve the nonpartisan character of the institution, the other Directors will be chosen after consultation with the leaders of both political parties on the completion of the legislation. And I announce General Dawes' name at this time because of the required change in plans as to the chairmanship of the delegation to the Arms Conference. Otherwise, General Dawes would be leaving for Europe tomorrow.

GENERAL DISARMAMENT CONFERENCE

And then, in view of the change in General Dawes' plans, Secretary Stimson has undertaken the chairmanship of the delegation to the Arms Conference at Geneva. The Secretary will not attend the opening meetings but will take part in the work of the commission after the preliminaries have been disposed of. Ambassador [Hugh S.] Gibson will be the Acting Chairman of the delegation.

That is all the news I have today.

NOTE: President Hoover's two hundred and thirtieth news conference was held in the White House at 12 noon on Tuesday, January 19, 1932.

On the same day, the White House issued texts of the President's statements on appointments to the Reconstruction Finance Corporation (see Item 24) and to the United States delegation to the General Disarmament Conference (see Item 25).

24

Statement on Appointments
to the Reconstruction Finance Corporation.

January 19, 1932

THE PRESIDENT said:

I have requested General [Charles G.] Dawes to accept the position of President of the new Reconstruction Corporation. It is gratifying to state that he has accepted. Mr. Eugene Meyer, Governor of the Federal Reserve Board, will also be Chairman of the Board of the Reconstruction Corporation.

In order that we may preserve the nonpartisan character of the institution, the other Directors will be chosen after consultation with leaders of both political parties upon completion of the legislation.

I announce General Dawes' name at this time because of the required change in plans as to the Chairmanship of the delegation to the Arms Conference. Otherwise, General Dawes would be leaving for Europe tomorrow.

25

Statement on Appointments
to the United States Delegation
to the General Disarmament Conference.

January 19, 1932

THE PRESIDENT said:

"In view of the change in General Dawes' plans, Secretary Stimson has undertaken the Chairmanship of the delegation to the Arms Conference at Geneva. The Secretary will not attend the opening meetings but will take part in the work of the commission after the preliminaries have

been disposed of. Ambassador Gibson will be Acting Chairman of the delegation."

NOTE: Charles G. Dawes became President of the Reconstruction Finance Corporation.

The General Disarmament Conference was scheduled to open in Geneva, Switzerland, on February 2, 1932. Other American delegates and advisers were:

DELEGATES

HUGH S. GIBSON, Ambassador to Belgium
CLAUDE A. SWANSON, United States Senator
NORMAN H. DAVIS
MARY EMMA WOOLLEY
HUGH WILSON, Ambassador to Switzerland, *alternate delegate*

ADVISERS

J. THEODORE MARRINER, Counselor of American Embassy, Paris
BRIG. GEN. GEORGE S. SIMONDS
REAR ADM. ARTHUR J. HEPBURN

TECHNICAL ADVISERS

S. PINKNEY TUCK, First Secretary of American Embassy, Paris
LT. COL. GEORGE V. STRONG
MAJ. JAMES B. ORD
MAJ. JAMES E. CHANEY
CAPT. A. H. VAN KEUREN
COMDR. THOMAS C. KINKAID
COMDR. RICHMOND K. TURNER

26

Letter to the Speaker of the House
Transmitting an Estimate of Appropriations
for the Reconstruction Finance Corporation.
January 21, 1932

Sir:

I have the honor to transmit herewith for the consideration of Congress, an estimate of appropriation for the Treasury Department for

28

\$500,000,000, for the fiscal year 1932 and to remain available until expended, for subscriptions to Capital Stock, Reconstruction Finance Corporation.

I am transmitting this estimate of appropriation at this time so that the important operations of the corporation may be commenced at the earliest possible date.

Further details regarding this estimate are set forth in the letter of the Director of the Bureau of the Budget, which is transmitted herewith.

Respectfully,

HERBERT HOOVER

[The Speaker of the House of Representatives]

NOTE: The message and accompanying papers are printed in House Document 232 (72d Cong., 1st sess.).

27

Statement About Signing the Reconstruction
Finance Corporation Act.

January 22, 1932

THE PRESIDENT said:

"I have signed the Reconstruction Finance Corporation Act.

"It brings into being a powerful organization with adequate resources, able to strengthen weaknesses that may develop in our credit, banking, and railway structure, in order to permit business and industry to carry on normal activities free from the fear of unexpected shocks and retarding influences.

"Its purpose is to stop deflation in agriculture and industry and thus to increase employment by the restoration of men to their normal jobs. It is not created for the aid of big industries or big banks. Such institutions are amply able to take care of themselves. It is created for the support of the smaller banks and financial institutions, and through rendering their resources liquid to give renewed support to business,

industry, and agriculture. It should give opportunity to mobilize the gigantic strength of our country for recovery.

"In attaching my signature to this extremely important legislation, I wish to pay tribute to the patriotism of the men in both Houses of Congress who have given proof of their devotion to the welfare of their country irrespective of political affiliation."

NOTE: As enacted, the Reconstruction Finance Corporation Act (H.R. 7360), approved January 22, 1932, is Public, No. 2 (47 Stat. 5).

28

Statement About Signing the Federal Farm
Loan Act, Amendments.

January 23, 1932

THE PRESIDENT said:

"I am glad to sign the third of our reconstruction measures—that providing additional capital to the Federal land banks. It should (a) reinforce the credit of the Federal land bank system and reassure investors in land bank bonds; (b) thus enable the banks to obtain capital for farmers at reasonable rates; and (c) above all bring relief and hope to many borrowers from the banks who have done their honest best but, because of circumstances beyond their control, have been unable temporarily to make the grade."

NOTE: As enacted, the Federal Farm Loan Act, amendments (H.R. 6172), approved January 23, 1932, is Public, No. 3 (47 Stat. 12).

The President referred to the act as the third of the reconstruction measures; the first two were the Foreign Debt Moratorium Resolution (see 1931 volume, Item 450), and the Reconstruction Finance Corporation Act (see Item 27).

29

Letter to the Speaker of the House
Transmitting an Estimate of Appropriations
for Federal Land Banks.

January 25, 1932

Sir:

I have the honor to transmit herewith for the consideration of Congress an estimate of appropriation for the Treasury Department for \$125,000,000, for the fiscal year 1932 and to remain available until expended, for subscriptions to capital stock, Federal land banks.

I am transmitting this estimate of appropriation at this time so that funds may be available for the stock subscriptions authorized by the act at the earliest possible date.

Further details regarding this estimate are set forth in the letter of the Director of the Bureau of the Budget, which is transmitted herewith.

Respectfully,

HERBERT HOOVER

[The Speaker of the House of Representatives]

NOTE: The message and accompanying papers are printed in House Document 233 (72d Cong., 1st sess.).

30

Message to the Annual Dinner of the Society
of the Genesee Honoring Lillian D. Wald.

January 25, 1932

[Released January 25, 1932. Dated January 19, 1932]

My dear Mr. Wiley:

Please convey to the Society of the Genesee, and to its guest of honor, my felicitations on its thirty-third annual dinner. Miss Lillian D. Wald's untiring efforts in the amelioration of human suffering have rightly

earned her the approbation of her fellow-citizens. The Geneseens have cause for pride in numbering Miss Wald among their company. Her position in our national life is unique. Her life has been marked by steadfastness and courage. My best wishes attend the success of the dinner and of the Society.

Yours faithfully,

HERBERT HOOVER

[Mr. Louis Wiley, Chairman, Board of Governors, Society of the Genesee, The New York Times, 229 West 43rd Street, New York City]

NOTE: The message was read at the society's annual dinner, held in the Hotel Commodore in New York City.

Miss Wald was active in all branches of social work.

31

The President's News Conference of *January 26, 1932*

THE PRESIDENT. I haven't anything today of profound importance in the way of news.

RECONSTRUCTION FINANCE CORPORATION

By way of background, I have a number of questions about the fourth member of the Reconstruction Board. The problem there is the desire of the States north of Texas and west of the Mississippi River to have representation and the desire of the States in the Southeast, and it is a matter that will have to be worked out and probably will take some days to do so. It is to be worked out, as I told you before, with the Democratic leaders in and out of Congress.

EUROPEAN CONCERN FOR U.S. FISCAL POLICY

One matter has come up that might be of some importance to you—just as background in case anything develops. There is a good deal of discussion and misunderstanding going on in Europe about the meas-

ures that we have undertaken. There is a good deal of statement going on that we have undertaken policies of inflation. That is absolutely untrue, and arises from the different understanding of Europe of the word "inflation." Inflation in Europe means the printing of currency by the government to pay its expenses, and necessarily people in Europe get frightened when they hear the word inflation, or stoppage of deflation, or any other use of the word inflation. There are none of the proposals made in Congress or made by the administration that have the remotest element of inflation in them. We propose to make up our budget deficiency by the issue of bonds, which is not inflation, and we propose to balance the budget next year by taxation, which is certainly not inflation. The emergency measures which we have taken are the use of Government credit to loosen up frozen credits in institutions, and that is not inflation. Nothing in the nature of currency issues is contemplated or ever has been contemplated.

SUPPLIES OF FOREIGN ORIGIN FOR U.S. GOVERNMENT
DEPARTMENTS AND AGENCIES

There is one other little problem that has arisen on which I have some questions. In the purchase of supplies by the Government departments lately they have had bids for foreign goods under the American prices—possibly due to the foreigners being off the gold standard. It raised a question, and I shall be making a recommendation to Congress that our departments should give preference to American goods in bids where there are articles that are suitable for our use.

DISTRICT OF COLUMBIA POSTMASTER

And I have no news for quotation except one item that may interest the Washington papers, and that is the reappointment of the Washington Postmaster.

QUESTIONS

Q. Mr. President, do we understand that you are to ask Congress for legislation in reference to American goods?

THE PRESIDENT. Yes.

Q. That is to take effect at once, Mr. President?

THE PRESIDENT. Yes.

NOTE: President Hoover's two hundred and thirty-first news conference was held in the White House at 12 noon on Tuesday, January 26, 1932.

At the conclusion of the news conference, the President referred to the reappointment of William M. Mooney as Postmaster for the District of Columbia.

On January 28, the Senate confirmed the appointments of Charles G. Dawes, Harvey C. Couch, and Jesse H. Jones as members of the Reconstruction Finance Corporation. Wilson McCarthy's appointment was confirmed on February 3.

32

Letter to the Speaker of the House
on Procurement of Supplies of Foreign Origin
for Government Departments and Agencies.

January 26, 1932

My dear Mr. Speaker:

Instances arise from time to time in the procurement of supplies and equipment by the various Government services where, due to requirements of existing law, it becomes necessary to award contracts for materials of foreign origin notwithstanding that suitable articles of domestic production or manufacture are available. By special provisions of law, the War and Navy Departments have been enabled, during the current fiscal year, to give preference to American goods except where to do so would lead to unreasonable cost. I am informed, however, that other Departments are not authorized to extend such a preference. It would be of substantial advantage to American manufacturers and producers if Congress should authorize all Departments and Executive Establishments uniformly to give this preference, and I suggest the enactment of legislation providing that in advertising for proposals for supplies, heads of departments shall require bidders to certify whether the articles proposed to be furnished are of domestic or foreign growth, production, or manufacture, and shall, if in their judgment the excess of cost is not unreasonable, purchase or contract

for the delivery of articles of the growth, production, or manufacture of the United States, notwithstanding that articles of foreign origin may be offered at a lower price.

Respectfully yours,
HERBERT HOOVER

[Hon. John N. Garner, The Speaker of the House of Representatives, Washington, D.C.]

33

Message to the Governor of Porto Rico on His Inauguration.
January 30, 1932

Honorable James R. Beverley, Governor of Porto Rico:

On your inauguration as Governor will you convey to the people of Porto Rico an expression of my cordial good wishes and keen interest in their welfare. Porto Rico is to be congratulated upon the fact that you enter upon your office with an understanding of the Island's problems gained through long service with the Insular Government.

The responsibilities of government are peculiarly heavy in times of world wide depression with extensive unemployment and depleted revenues. Only by the strictest economy in all the necessary activities and a retrenchment in all matters that are not absolutely essential can the financial burdens of the government be met. This demands personal sacrifices as well as cooperation on the part of all agencies of the government and the people in working out their own local problems. Sound economic measures must be the main consideration if constructive progress is to continue.

I wish you every success in your administration.

HERBERT HOOVER

NOTE: Mr. Beverley served as Attorney General of Porto Rico from 1928 until his appointment as Governor.

White House Statement Announcing Measures
for the Protection of United States Citizens
in the International Settlement at Shanghai, China.
January 31, 1932

A CONFERENCE was held by the President today with the Secretaries of State, War, and Navy, Under Secretary of State [William R.] Castle, Chief of Staff General [Douglas] MacArthur, and Chief of Naval Operations Admiral [William V.] Pratt. The request of the American Consul General [Edwin S.] Cunningham and our Naval officers at Shanghai for still further protection of American citizens in the International Settlement at Shanghai was considered.

Directions have been given to send to Shanghai the 31st Regiment of about 1,000 men now at Manila together with 400 Marines on the transport *Chaumont* leaving tomorrow. The cruiser *Huston* and six destroyers left Manila this morning for Shanghai.

With these additions to the Marines already there, the total American forces in the settlement will number to about 2,800. As soon as conditions permit the troops will be returned to Manila.

NOTE: The Department of the Navy subsequently announced that the *Chaumont* had 562 Marines on board.

In military operations beginning on January 28, 1932, Japanese forces occupied the city of Shanghai. They remained until May 1932, when the League of Nations succeeded in arranging an armistice and secured withdrawal.

The President's News Conference of
February 2, 1932

BICENTENNIAL OF THE BIRTH OF GEORGE WASHINGTON

THE PRESIDENT. In the matter of domestic questions, I am issuing a proclamation [Proc. 1986] today in connection with the bicentennial of the birth of George Washington. And I have stated that the happy oppor-

tunity has come to our generation to demonstrate our gratitude and our obligation to George Washington by fitting celebration of the 200th anniversary of his birth. To contemplate his unselfish devotion to duty, his courage, his patience, his genius, his statesmanship, and his accomplishments for his country and the world refreshes the spirit, the wisdom, and the patriotism of our people.

Therefore, I, the President of the United States of America, acting in accord with the purposes of the Congress, do invite all our people to organize themselves through every community and every association to do honor to the memory of George Washington during the period from February 22 to Thanksgiving Day.

I am rather in hopes that the press will give some importance to it.

FAR EASTERN CRISIS

I have one matter of background here, in connection with which you will get your major information from the Secretary of State, but my attention has been called to it by some of the press dispatches which have come over my desk in the last few minutes. And this is entirely background.

I hope you will disassociate in your mind two things that we are doing in the Far East. First, we are engaged solely in the protection of the lives of American citizens in China. The first and fundamental obligation of a government is towards its own nationals. Such military operations as we are undertaking are devoted solely and absolutely and singly to that question, and has no relation to any other question whatever.

Second, and entirely separate, at the request—the definite request—of both the Chinese and the Japanese Governments, directed to the other great governments of the world, we are rendering our good offices to secure, if possible, a settlement of the outstanding questions, and have made certain proposals to the Japanese and Chinese Governments for that purpose. That is a proposal of peace.

I notice in the dispatches the statement that America, France, Great Britain, and Italy announce at the extraordinary meeting of the League of Nations Council today that the Sino-Japanese fighting must come to an end, and they have decided to make further diplomatic efforts to stop

it. That dispatch must be wholly untrue, because the United States was not represented—had nobody, not even an observer—at that meeting, and, therefore, no such a statement could have been made on behalf of the United States Government. And that does not imply at all what we are engaged upon, which is solely an act of friendly conciliation at the request of the two governments.

So that I am in hopes that you will keep clear to the country what our actions are. One of them is solely protection of the life of American citizens, and the other is using our friendly offices to bring a controversy between two nations to an end—and doing so at the specific request of those two nations.

And that is all I have got today.

NOTE: President Hoover's two hundred and thirty-second news conference was held in the White House at 12 noon on Tuesday, February 2, 1932.

36

Statement on the Hoarding of Currency

February 3, 1932

THE PRESIDENT said:

"The Reconstruction Finance Corporation, under the leadership of General [Charles G.] Dawes, Chairman [Eugene] Meyer, and its Directors, is now initiating a definite campaign for reconstruction and recovery. I am gratified that the very act of creating the Corporation has already shown results in the dissipation of fear and the restoration of public confidence, as indicated by the fact that recently we have had on balance no increase in hoarding of currency in the country.

"There is now a patriotic opportunity for our citizens unitedly to join in this campaign against depression. Given such patriotic cooperation we can secure a definite upward movement and increase in employment. That service is to secure the return of hoarded money back into the channels of industry. During the past year and with an accelerated rate during the last few months a total of over 1,300 millions of money has been hoarded. That sum is still outstanding. I am convinced that citi-

zens hoarding currency or money do not realize its serious effect on our country. It diminishes the credit facilities by many billions. Every dollar hoarded means a destruction of from \$5 to \$10 of credit. Credit is the bloodstream of our economic life. Restriction or destruction of credit cripples the revival and expansion of agriculture, industry, commerce, and employment. Every dollar returned from hoarding to circulation means putting men to work. It means help to agriculture and to business. Everyone hoarding currency injures not only his own prospects and those of his family, but is acting contrary to the common good. It is to their own interest that they should return it to circulation, as well as a patriotic service to the country as a whole. A prime need today is the extension and liberalization of credit facilities to farmers and small businessmen. The credit institutions are greatly crippled in furnishing these needed credits, unless the hoarded money is returned. Therefore, I urge all those persons to put their dollars to work—either by conservative investment, or by deposit in sound institutions in order that it may thus return into the channels of economic life.

“During the Great War our people gave their undivided energies to the national purpose. Today we are engaged in a war against depression. If our people will give now the same service and the same confidence to our Government and our institutions, the same unity and solidarity of courageous action which they gave during the Great War, we can overcome this situation. I, therefore, request our citizens to enlist with us in the fight we are making on their behalf. I call upon our civic associations to organize in every State and town to make clear the problem and to effect our purpose. That it can be done successfully and that our citizens will respond to this patriotic service and that hoarded money will be returned when they understand its effect upon their own town life has been demonstrated by such movement in several communities already.

“In order that we may have definite organization for this service, I am today calling upon the heads of the leading civic organizations to meet with me on Saturday next for the creation of a national organization to further this campaign. In the meantime, I request that the heads of such civic organizations in each State and in each community

organize without waiting for the national action. I have so far invited the heads of the Chamber of Commerce, the labor and agricultural associations, the church and school organizations, the men and women's service clubs, the veterans and patriotic organizations, and the trade associations."

NOTE: The White House issued the President's statement following a conference with officials of the Treasury Department, the Reconstruction Finance Corporation, and leaders of the banking community.

On the same day, the White House issued a partial list of individuals and organizations invited to the conference on the hoarding of currency on February 6, 1932.

37

Statement on the Appointment of Andrew W. Mellon
as United States Ambassador to Great Britain.
February 3, 1932

THE PRESIDENT said:

"The critical situation facing all countries in their international relations, the manifold economic and other problems demanding wise solution in our national interests call for experience and judgment of the highest order. The importance to our country of the sound determination of these worldwide difficulties needs no emphasis.

"I have decided, therefore, to call upon one of our wisest and most experienced public servants to accept a position which will enable him after many years of distinguished public service at home to render equal service to his country in the foreign field.

"I have asked Mr. Mellon to undertake the Ambassadorship to Great Britain. I am happy to say he has now expressed his willingness to serve."

NOTE: For Mr. Mellon's resignation as Secretary of the Treasury, see Item 44.

As printed above, this item follows the text set forth in a contemporary news account.

38

The President's News Conference of
February 5, 1932

APPOINTMENTS

THE PRESIDENT. I was much gratified to hear that the Senate has unanimously confirmed Mr. [Andrew W.] Mellon's appointment to London. This is a real tribute to Mr. Mellon.

I have already sent to the Senate Mr. [Ogden L.] Mills' name for Secretary of the Treasury and Mr. [Arthur A.] Ballantine's for Under Secretary.

HOARDING OF CURRENCY

I want to devote a few minutes, purely background, to this hoarding matter. I first want to express the appreciation I have for the way the press have helped out in trying to get the problem before the country. It is a real educational problem and lies largely with the press. It is indeed a problem difficult to get over to the man on the street as to what the relationship of hoarding currency is to his own daily necessities and his own good. Anything more you can do to get this down to terms of "A-B-C" of economics will be extremely helpful. This is not a bankers relief business; it is a matter of total indifference from the public point of view, whether people return their money to the banks, invest it in Government, State, or municipal bonds, or in other conservative security. What we need is to get it back into circulation.

One point I did not touch on and perhaps you could get it clear. There seems to be an assumption on the part of some that all we have to do is print currency and hand it out. As a matter of fact the Federal Reserve Act and our whole currency basis is the basis of reserves of gold. The law requires that we have 40 percent gold in the Federal Reserve as against the currency issued. As a matter of fact due to the decrease in eligible paper, which is presumed to make up the difference between 40 percent and 100 percent of the securities behind the currency, the Federal Reserve banks necessarily have to make up the difference with

gold reserves; so the reserves are running 75 percent or 80 percent of gold as against the currency. So, you can see we have a large sum of gold unmobilized and held entirely from public use by the hoarding of currency. The gold comes out of the credit structure. If that currency were returned into circulation that amount of gold would go into the credit structure of the country and under that structure the reserves are about 10 to 1. Gold multiplies itself into credit at the ratio of 10 to 1. So it is a difficult problem to get people to understand. We have to get it clear to the man in the street that anyone who is hoarding currency is actually depriving the community of employment, and the return of this money is an aid to employment and an addition of credit which can be extended to the farmers with which to produce their crops and hold their cattle and hogs.

In our system—and it is a good system—we are totally dependent on keeping the whole currency mobile and in action at all times. This building up of a large amount of hoarded currency by people, who have no understanding of what it means to a volume of \$1,400 million, makes for serious deflation of the country. Our total credit volume has been deflated in the last 6 months by nearly \$10 billion, and that deflation has been brought about by taking credit away from small business and from commerce and industry which is the necessary basis upon which they function. The net result has been to increase unemployment steadily with every dollar taken out and put into hoarding. We can have exactly the reverse action if we can bring that back into circulation.

AMERICAN LEGION EMPLOYMENT DRIVE

The American Legion and associated organizations have organized an intensive drive for placing of temporary employment beginning February 15. Commander [Henry L.] Stevens and John Thomas Taylor called to see me this morning and placed the entire organization at our disposal as an adjunct to the hoarding question, and I am confident that they are going to perform a considerable service in this direction as well as the major objective they started to work.

COLONEL FRANK KNOX

And finally, I have persuaded Colonel Knox, publisher of the Chicago Daily News, to head up this organization drive against hoarding. He will be down in a day or two to set up an organization, the headquarters of which may be in Chicago.

That is all I have today.

NOTE: President Hoover's two hundred and thirty-third news conference was held in the White House at 4 p.m. on Friday, February 5, 1932.

Col. Knox established the Citizens Reconstruction Organization as the coordinating agency of the drive against hoarding of currency.

On the same day, the White House issued a text of the President's statement announcing appointments to the Department of the Treasury (see Item 39). On February 6, the White House issued a text of the President's statement on the American Legion employment drive (see Item 40).

39

Statement Announcing Appointments to the
Department of the Treasury.
February 5, 1932

THE PRESIDENT stated at press conference:

"I was much gratified to hear that the Senate has unanimously confirmed Mr. Mellon's appointment to London. This is a real tribute to Mr. Mellon.

"I have already sent to the Senate Mr. Mills' name for Secretary of the Treasury and Mr. Ballantine's for Under Secretary."

NOTE: Andrew W. Mellon had been confirmed as United States Ambassador to Great Britain.

Prior to their nominations, Ogden L. Mills and Arthur A. Ballantine were Under Secretary and Assistant Secretary of the Treasury, respectively. The appointments of Mr. Mellon, Mr. Mills, and Mr. Ballantine became effective on February 12, 1932.

40

Statement on the American Legion's Employment Drive.
February 6, 1932

THE PRESIDENT said:

"I appreciate the efforts being made by the American Legion and associated organizations in organizing an intensive drive to begin February 15 to extend employment. Mr. Henry L. Stevens, national commander of the Legion, and his associates have placed the entire organization also at the disposal of the organization that held its first meeting at the White House today. I am confident that the Legion and the organizations cooperating with it will perform a real service in the work undertaken."

NOTE: On January 18, 1932, the American Legion began an employment campaign designed to generate 1 million jobs. Working with a number of cooperating business and labor groups, it urged employers to add 10 percent more workers to their payrolls.

41

White House Statement About the Conference
on the Hoarding of Currency.
February 6, 1932

THE PRESIDENT, General [Charles G.] Dawes, and Under Secretary [Ogden L.] Mills reviewed the situation. The meeting was directed to a general discussion of the means and measures of organization to meet the problem of hoarding. It was agreed that hoarding had accumulated to the extent of \$1,250 million or \$1,500 million; that its results were to immobilize a large portion of the national gold supply and cause drastic deflation and credit contraction, and seriously to restrict business expansion and maintenance of employment and seriously to affect commodity prices.

It was pointed out by many of the leaders of the national associations that a dollar hoarded not only ceases to perform its function as currency

44

but destroys \$5 to \$10 potential credit. A dollar in the hands of a hoarder is just a dollar, but a hoarded dollar in the hands of a bank or wisely invested will furnish the basis for \$10 of credit. As some of the representatives expressed it, that currency is a high-powered dollar. Hoarded currency means that high-powered dollars are idle and that in turn means idle business, idle men, and depreciated prices.

It was agreed that a large portion of the hoarding was due to misunderstanding of the national effect of such acts, that it arose out of unnecessary fears and apprehension and that nothing could contribute more to the resumption of employment, to the stability of agricultural and other commodity prices, than to restore this money to work. This would turn the tide of depression on the way to prosperity.

It was unanimously agreed that all the national associations represented, and others to be invited, would place the full strength and force of their memberships behind a patriotic campaign to be conducted under the leadership of Col. Frank Knox, to put these hoarded dollars to work; that the organization should be set up State by State in which work all organizations would participate with view to setting up ultimately a definite working organism in each community. The whole conference expressed its resolution that the time had now arrived for the people themselves to enter into the fight against depression and give full support to the measures taken by government so as to make them completely effective.

The conference expressed its great appreciation of the leadership taken by the Federal Government in the creation of the Reconstruction Finance Corporation and other measures, and that the time had arrived to rally the people themselves not only against hoarding but for the general expansion of employment and to turn the economic tide.

The leaders gave assurance that the whole 20 million members of the organizations represented at the meeting would take it as their special mission to organize and carry forward this campaign of appeal to reason and patriotism and to action.

NOTE: The statement was issued following the President's meeting with leaders of Government, business, labor, service, and professional organizations. Frank

Knox was chairman of the Citizens Reconstruction Organization, the coordinating agency for the groups involved. A list of those attending the conference follows:

CHARLES G. DAWES, President of the Reconstruction Finance Corporation
ROBERT P. LAMONT, Secretary of Commerce
OGDEN L. MILLS, Under Secretary of the Treasury
JULIUS KLEIN, Assistant Secretary of Commerce
EUGENE MEYER, Governor of the Federal Reserve Board
HARVEY C. COUCH, Director of the Reconstruction Finance Corporation
WILSON MCCARTHY, Director of the Reconstruction Finance Corporation
H. PAUL BESTOR, Farm Loan Commissioner
WILLIAM GREEN, president, American Federation of Labor
WARNER S. HAYS, president, American Trade Association Executives
A. C. PEARSON, president, National Publishers' Association
DAROLD D. DE COE, commander in chief, Veterans of Foreign Wars
VINCENT WHITSITT, Association of Life Insurance Presidents
GILBERT T. HODGES, president, Advertising Federation of America
J. E. SPINGARN, president, National Association for the Advancement of
Colored People
D. J. WOODLOCK, National Retail Credit Association.
A. F. WHITNEY, president, Brotherhood of Railway Trainmen
GERRISH GASSAWAY, president, National Association of Commercial Orga-
nization Secretaries
WARREN C. PLATT, president, Associated Business Papers, Inc.
MRS. JOHN F. SIPPEL, president, General Federation of Women's Clubs
A. JOHNSTON, president, Brotherhood of Locomotive Engineers
MELVIN JONES, secretary general, International Association of Lions Clubs
JAMES A. EMERY, National Association of Manufacturers
MICHAEL J. READY, assistant general secretary, Catholic Welfare Association
ALLAN M. POPE, president, Investment Bankers Association of America
HENRY H. HEIMANN, executive manager, National Association of Credit Men
REUBEN A. BOGLEY, grand master, Free and Accepted Masons, District of
Columbia
HARRY J. HAAS, president, American Bankers Association
MAGNUS W. ALEXANDER, president, National Industrial Conference Board
EMILY R. KNEUBUHL, executive secretary, National Federation of Business and
Professional Women's Clubs, Inc.
SAMUEL MCCREA CAVERT, general secretary, Federal Council of the Churches
of Christ in America

RUSH L. HOLLAND, past exalted ruler of the Benevolent and Protective Order of Elks of the United States of America

GEORGE B. CUTTEN, president, National Council of the Young Men's Christian Association

FRED C. W. PARKER, secretary, Kiwanis International

EDITH SALISBURY, Washington Zonta Club, Zonta International

HAROLD S. BUTTENHEIM, National Conference on City Planning

H. C. KNIGHT, president, New England Council

LEON J. OBERMAYER, Jewish Welfare Board

JOHN POOLE, Rotary International

JAMES L. WALSH, American Engineering Company

JULIUS BARNES, chairman of the board, Chamber of Commerce of the United States

J. W. CRABTREE, secretary, National Education Association

CHESTER R. PERRY, Rotary International

L. W. WALLACE, executive secretary, American Engineering Council

MORTON BODFISH, executive manager, U.S. Building and Loan League

ARTHUR M. EAST, National Thrift Committee

JAMES NELSON MACLEAN, president, National Association of Civic Service Club Executives

WILLIAM B. BEST, president, U.S. Building and Loan League

HAROLD TSCHUDI, president, International Civitan

42

Message to the France-America Society.

February 6, 1932

[Released February 6, 1932. Dated February 2, 1932]

My dear Mr. Guthrie:

The one hundred and fifty-fourth anniversary of the signing of our treaties with France is a happy reminder of a continuing amity which has not only bound these nations together with ties of historic friendship and understanding but has strengthened the cause of human liberty. When the France-America Society meets on February sixth to commemorate this anniversary I shall appreciate if you will express my

deep appreciation of its significance and extend my cordial greetings to the participants in the occasion.

Yours faithfully,
HERBERT HOOVER

[Mr. William D. Guthrie, President, The France-America Society of New York, 270 Madison Avenue, New York City]

NOTE: The message was read at the society's annual luncheon which was held in the Waldorf-Astoria Hotel in New York City.

43

White House Statement About Presidential Receptions.
February 9, 1932

THE PRESIDENT has decided that for the next few months he will be unable to participate in formal White House receptions. No less than 160 organizations will hold annual meetings in the National Capital during this period. Requests for formal White House receptions to their members have been received already from scores of these organizations. Although the President cannot grant these requests, because of the extraordinary demands upon his time, he will be glad to receive committees representing these organizations during office hours so they may present their conclusions or lay before him such recommendations as their organizations may have adopted.

The courtesy of a reception, if extended to one association, should be extended to all associations. Hundreds and some times thousands of people attend each reception. To greet so many visitors presents too great a task for the President at such a time as this, when official demands occupy his every waking hour. Shaking hands with literally tens of thousands of people in the course of a season constitutes a demand that would impair proper consideration of matters of the greatest moment to the Nation.

Mrs. Hoover will be delighted, whenever possible, to extend the courtesies of the White House to visiting organizations, the officials and members of which so desire to be received. The President, however, must request to be excused from participation.

48

44

Letter Accepting the Resignation of Andrew W. Mellon
as Secretary of the Treasury.

February 12, 1932

My dear Mr. Mellon:

I am in receipt of your resignation as Secretary of the Treasury, which I of course accept.

There is little need for me to comment in appreciation of the eleven years of service you have given to our country. I know of no more magnificent tribute that has come to a public servant than the universal expressions of the press and the public toward you during the past few days.

I am in hopes that your new and important responsibilities will prove congenial, and I am well aware of the extent of the burdens which you are undertaking out of a sense of patriotic duty.

I wish to take this occasion to again express the feeling of personal loss I have after these years of association in the Cabinet.

Yours faithfully,

HERBERT HOOVER

[The Honorable Andrew W. Mellon, Washington, D.C.]

NOTE: Mr. Mellon served as Secretary of the Treasury from March 4, 1921, to February 12, 1932, when he assumed his duties as Ambassador to Great Britain. His letter of resignation, dated February 8 and released with the President's, follows:

Dear Mr. President:

I hereby tender my resignation as Secretary of the Treasury, to take effect at your convenience or at such time as you may desire me to assume my duties as Ambassador to Great Britain.

It has been nearly eleven years since I came to the Treasury. I have found it a period of absorbing interest and count it the highest privilege to have had this opportunity for public service. I am leaving the Treasury with the greatest respect for its organization and for the many able men whose support and assistance to me have been so invaluable.

I am also leaving with the highest regard for you and for your Administration, of which I have had the honor of being part. In going to London, I shall miss

particularly the pleasant daily association with you here and regret the severance of the ties which have grown up during the long period we have been together in Washington.

Faithfully yours,
A. W. MELLON
Secretary of the Treasury

[The President, The White House]

45

Message on Lincoln's Birthday.
February 12, 1932

THE STRENGTH of self government has been maintained, each generation stimulated and our daily life refreshed by the ideals and character of the men who have led the nation. Of those whose ideas, ideals, courage, patience and fortitude permeate every hour of our national thinking and national life, who inspire new courage and confidence in government by the people, none equal Washington and Lincoln.

I trust the commemoration of Lincoln's birth may rekindle the devotion of every citizen to the nation and enhance their faith in its institutions and destiny.

HERBERT HOOVER

[Honorable James S. Duncan, Chairman, Republican State Executive Committee, Greensboro, North Carolina]

NOTE: The message was also sent to Republican organizations in Arizona, California, Idaho, Indiana, Massachusetts, Michigan, Ohio, Oklahoma, Oregon, Pennsylvania, and Washington.

46

Radio Address on Lincoln's Birthday.
February 12, 1932

I DEEPLY REGRET that public duties make it impossible for me to be present with you at your Lincoln Day dinner this evening. It is,

50

however, a privilege and obligation for every American to join even for a few moments in a tribute to Abraham Lincoln.

I gave a brief address from this room in the White House a year ago tonight. I stated then that it was the room in which a long line of Presidents from Adams to Roosevelt have labored for the single purpose of their country's welfare. It was in this room from which I am speaking that Lincoln labored incessantly day and night for the preservation of the Union: No one can enter here without being sensitive to those invisible influences of the men who have gone before. It was from this window that for 5 years Lincoln looked across the Potomac upon a flag under which embattled forces threatened our national unity. Unafraid, he toiled here with patience, with understanding, with steadfastness, with genius and courage that those wounds of a distraught nation might be healed and that that flag which waved over this house might be restored as the symbol of a united country. We rightly look back upon that time as the period of the greatest strain and stress which has threatened our country. But its wounds have long since healed, and its memories are of the glorious valor and courage of our race, both North and South. They bring into bold relief memories of a great son of America who freed the country from slavery, preserved the solidarity of the Union, revitalized the Nation, re-inspired the people with a new purpose, and set for them a new destiny.

While we are in the midst of the difficulties of this day we may well entertain the feeling that history will record this period as one of the most difficult in its strains and stresses upon the timbers of the Republic that has been experienced since Lincoln's time. There are enduring principles and national ideals to be preserved against the pressures of today.

The forces with which we are contending are far less tangible than those of Lincoln's time. They are invisible forces, yet potent in their powers of destruction. We are engaged in a fight upon a hundred fronts just as positive, just as definite, and requiring just as greatly the moral courage, the organized action, the unity of strength, and the sense of devotion in every community as in war.

I am confident of the resources, the power, and the courage of our

people to triumph over any national difficulty. They are rallying to their responsibilities. They are thus doing more than serving their immediate needs. They are buttressing the very foundations of self-government. They are defending the very principles of liberty and freedom. They are showing the patience and the steadfastness of Abraham Lincoln.

Ours is a government of political parties. Lincoln was the leader of a party whose traditions and tenets are precious to all those who adhere to it. But we do not celebrate the birth of Lincoln as a political event. Instead we celebrate his birthday as the most significant for any American after Washington. In its celebration, we find renewed courage and strength. Our obligation to Lincoln is to be resolute in our determination to maintain the principles which Washington forged from the fires of revolution and which Lincoln strengthened in the fires of civil strife.

Lincoln deservedly shares with Washington the distinction of a nationally commemorated anniversary. Today, as throughout recent decades, his vision sets the guideposts of American conscience and American ideals. This humble man of the wilderness, who labored over grub hoe and axe in his youth, never saw a city until he was 20 years old, never opened a grammar until after he had attained his majority. Yet he became one of the few masters of the English language. There are no nobler utterances, no greater inspirations to people than his many appealing statements culminating with his Gettysburg speech. A race is fortunate that can contribute a voice calling to order and to conscience in the world which shall be heard above the froth and immaterial substance of everyday life. It comes to few men to become that voice to their generation. Still fewer are they whose voices resound through the life of a people.

Abraham Lincoln more than any other man gave expression to the heart and the character and the faith of our race. Washington was indeed the father of our country. Lincoln was its greatest son.

NOTE: The President spoke at 10 p.m. from the Lincoln Study of the White House in connection with the annual Lincoln Day dinner of the National Republican Club of New York City. The National Broadcasting Company radio network carried the address.

A reading copy of this item with holograph changes by the President is available for examination at the Herbert Hoover Presidential Library.

47

Message to the Imperial Order of the Dragon.
February 13, 1932

[Released February 13, 1932. Dated February 5, 1932]

My dear Mr. Maguth:

Please present my warmest greetings to the members of the Imperial Order of the Dragon gathered for their thirty-first reunion on February 13th. The passing years only increase my affectionate and grateful remembrance of them and I wish them every happiness.

Yours faithfully,

HERBERT HOOVER

[Mr. John Maguth, Custodian of Archives, Imperial Order of the Dragon, 424 Irving Avenue, Brooklyn, New York]

NOTE: The letter was read at a dinner held in Rosoff's Restaurant in New York City.

The Imperial Order of the Dragon was a veterans' organization composed of survivors of the China Relief Expedition which served during the Boxer Rebellion of 1900.

48

The President's News Conference of
February 16, 1932

HOARDING OF CURRENCY

THE PRESIDENT. I am glad to report that since February 4 when I took action on hoarding, there has been an entire turn of the tide. Up to a few days previous, hoarding was greatly on the increase. Since then it has not only stopped but it is estimated that about \$34 million have returned to circulation from hoarding.

ECONOMIC IMPACT OF HOARDING

I have one or two matters for background, especially with view to the very helpful attitude of the press on our financial measures, there is one

phase of it that I think might be useful to you. It is useful to us anyhow. That is the difficulties in visualizing to the man in the street—and this is purely background as I have said—the purposes of these various financial measures which are in reality of very vital importance to every man, woman, and child, whether employed or unemployed, whether farmer or businessman. They have no other purpose than attack on unemployment. The public can understand that if one local merchant finds it difficult to borrow from the banks his normal credit to maintain a stock of goods, he necessarily shortens down on his stocks and this reflects right back to the manufacturer and thus into unemployment. The country is shorter on its stock on the shelves today than ever before in history in proportion to the population and normal demand.

Another instance is where a flour miller is unable to borrow his normal amount of credit to carry his seasonal supply of wheat, which shortens down stocks and throws the carrying burden back on the farmer and tends to depress prices. When a local industry is unable to secure normal credit to finance his raw materials and customers he necessarily has to shorten his operations and create unemployment. The local banker and lending agency are unable to obtain normal credits from other institutions; they necessarily cannot extend mortgages falling due. And then we have foreclosures, and people lose their homes and farms. When a railway goes into receivership from inability to find money with which to pay interest on bonds, then again not only do we have depreciation in prices of these securities, but it affects the assets of every institution. We bring in the question of such things as life insurance, charitable trusts—so these are the things we are trying to reach fundamentally.

Of course, hoarding is just one of the parts of the vicious cycle that starts from a shortage of credit. What we are trying to do is open the channels of credit so as to dissipate fear and apprehension in the minds of the bankers and the public and businessmen, and thereby restore the people to their normal jobs. It is a program that is direct and fundamental in ending unemployment and the stagnation of agriculture.

Perhaps some of you can yourselves help in trying to get this thing over with the intense technology of the Reserve System which requires an expert to work through.

EXECUTIVE BRANCH REORGANIZATION

There is another matter of background in connection with the message which has been released to the press and is going to Congress tomorrow, on reorganization of the Federal departments. Again this is a wholly nonpartisan measure on the lines of proposals that have been made by every President from Taft down, including Wilson, Harding, Coolidge, and myself. It is an economy measure, one that is long overdue. The difficulties of reorganization, as you know, are pointed out in the message. I have myself been advocating this for the last 6 years.

It is not proposed to undertake sudden and revolutionary action through departments but to be in position, after we have been able to weigh all the factors, to make careful examination of every move and give everybody a chance to be heard, then have authority to act and at the same time provide full participation by Congress in any action taken and full opportunity for them to reexamine the validity of every step. It is proposed merely to try to avoid waste that goes on now through dissipation of energies in a lot of places that overlap and are not under adequate control. I think if you will look over the structure of the Government you will find that major expansion has taken place in the independent administrative agencies, that probably anywhere from 15 to 20 could be well consolidated in the departments or working with each other. It is proposed to do this without disturbing any of the great major activities of the Government and independent agencies such as the ICC [Interstate Commerce Commission], Federal Trade, Federal Reserve, or any other major activities. There is no suggestion of alteration in structure of those parts but to gather up a lot of fractions all over the Government and put them somewhere so as to decrease the amount of waste and overlap. That, however, is only to assist you in a discussion

of the message. It cannot be used in advance of delivery of the message to Congress, but, since I won't see you again until after said delivery, I thought you might use this when the message comes out.

Q. Will we have access to this?

THE PRESIDENT. Yes.

NOTE: President Hoover's two hundred and thirty-fourth news conference was held in the White House at 12 noon on Tuesday, February 16, 1932.

On the same day, the White House issued a text of the President's statement on hoarding of currency (see Item 49).

49

Statement on Hoarding of Currency.

February 16, 1932

THE PRESIDENT said:

"I am glad to report that since February 4 when I took action on hoarding, there has been an entire turn in the tide. Up to a few days previous to that time hoarding was greatly on the increase. Since that time it has not only stopped, but it is estimated that \$34 million has been returned to circulation from hoarding."

50

Special Message to the Congress

on the Reorganization of the Executive Branch.

February 17, 1932

To the Senate and House of Representatives:

Because of its direct relation to the cost of Government, I desire again to bring to the attention of the Congress the necessity of more effective organization of the Executive branch of the Government, the importance of which I have referred to in previous messages. This subject has been considered many times by the Executive and by the Congress, but

56

without substantial results. Various projects are now before the Congress.

The need for reorganization is obvious. There has been with the years a gradual growth of the Government by the accretion in its departments and by independent executive establishments, boards, and commissions as problems requiring solution confront the President and the Congress. Today the Government embraces from 150 to 200 separate units, dependent on the method of notation used. Governmental units when once set up have a tendency to grow independently of other units. This leads to overlapping and waste. Moreover, there is a marked tendency to find new occupations when the initial duties are completed. The overlap and the number of agencies can be reduced.

A few consolidations, notably in law enforcement and the veterans' services have been effected. Both of these reorganized agencies have been able to discharge the very greatly increased burdens imposed upon them without such an increase in administrative expense as would otherwise have been the case.

In the present crisis the absolute necessity for the most drastic economy makes the problem of governmental reorganization one of paramount importance. The amount of saving in public funds to be effected by a thoroughgoing reorganization, while difficult to estimate accurately, will be material, amounting to many millions of dollars annually. Not only will the Government's business be conducted more efficiently and economically but the great body of citizens who have business relations with their Government will be relieved of the burden and expense of dealing with a multitude of unnecessary and sometimes widely separated public agencies.

We may frankly admit the practical difficulties of such reorganization. Not only do different fractions of the Government fear such reorganization, but many associations and agencies throughout the country will be alarmed that the particular function to which they are devoted may in some fashion be curtailed. Proposals to the Congress of detailed plans for the reorganization of the many different bureaus and independent agencies have always proved in the past to be a signal for the mobiliza-

tion of opposition from all quarters which has destroyed the possibility of constructive action.

There is little hope for success in this task unless it is placed in the hands of some one responsible for it, with authority and direction to act. Moreover, the consummation of a comprehensive reorganization at one moment is not in the best public interest. Such reorganization should be undertaken gradually and systematically, predicated on a sound and definite theory of government and effectuated as the result of study and experience gained in the actual processes of reorganization.

I recommend, therefore, that the Congress provide for—

(a) Consolidation and grouping of the various executive and administrative activities according to their major purposes under single-headed responsibility, the Congress designating the title of the officer to be placed in immediate charge of such groups as are not now possible under existing organization.

(b) Adoption of the general principle that executive and administrative functions should have single-headed responsibility and that advisory, regulatory, and quasi judicial functions should be performed by boards and commissions, thus permitting the transfer of certain regulatory functions from executive officials to existing boards or commissions and executive functions from boards and commissions to executive officials.

(c) Authority under proper safeguards to be lodged in the President to effect these transfers and consolidations and authority to redistribute executive groups in the 10 executive departments of the Government or in the independent establishments, as the President may determine, by Executive order, such Executive order to lie before the Congress for 60 days during sessions thereof before becoming effective, but becoming effective at the end of such period unless the Congress shall request suspension of action.

The 10 major executive departments and the major regulatory and financial boards and commissions should of course be maintained. Some of these existing agencies are already organized upon the basis of their major purpose, but functions of the same major purpose now outside of these groups should be transferred to them.

It will be necessary also to authorize changes in titles of some officials and to create a few new positions in order to permit grouping and consolidation not now possible. With the enormous growth of governmental business there has been great expansion and diffusion of authority amongst minor officials. At the same time, there is an insufficient number of officials of definite and concentrated responsibility to the public. The additional expense of such officers over and above the salaries now paid to officials who would be displaced would be less than \$40,000 per annum. The saving in cost of administration would be many times this sum. The most important of the posts of this character are the following:

Public Works Administrator (new office).

Personnel Administrator (change from chairman of Civil Service Commission).

Assistant Secretary for Public Health (new).

Assistant Secretary for Education (change from commissioner).

Assistant Secretary for Merchant Marine (new office).

Assistant Secretary for Conservation (new office).

Assistant Secretary for Agricultural Research (change from present Assistant Secretary).

Assistant Secretary for Agricultural Economics (change from director).

The establishment of an Assistant Secretary for Merchant Marine would enable the consummation of the proposals in my message of December 8 in respect to the Shipping Board.

The public works administration should be partially a service agency to the other departments of the Government, executing certain construction work, the subsequent operation of which should be carried on by those departments. It should be also partially an agency administering certain contract work which can not be delegated to any one department. Naval, military, and some other highly specialized construction work should not be transferred to this agency. The supervision and construction of rivers and harbors work should be continued under direction of the Army engineers, who should be delegated by the Secretary of War to the service of the Administrator of Public Works for this purpose.

The personnel administration should comprise various agencies relating to the personnel of the Government as a service agency to all departments of the Government. I recommend that the Civil Service Commission should be maintained as an advisory body to the Personnel Administrator, and the approval of this body should be required in all regulatory questions. The Personnel Administrator should be the chairman of the commission. Other functions relating to the personnel of the Government should be transferred to the personnel administration as may be deemed wise from time to time.

RECLAMATION SERVICE

With respect to certain agencies in the Government, I recommend a separate legislative reorganization of policy. The first of these is the Reclamation Service. Reclamation should have a broader import than that of bringing unproductive land under cultivation. We do not need further additions to our agricultural land at present. Additional agricultural production except such marginal expansion as present projects warrant is inadvisable.

The conservation of water by storage is required, not alone in the West, but in all parts of the country.

The effective development of water conservation through storage is largely an interstate question in the aid of domestic and industrial water supply, transportation, irrigation, and flood control. Where construction work for storage relates to these larger issues, it is properly the work of the Federal Government. Where water power is developed as a by-product, it should be disposed of in advance by contracts which will fairly reimburse the Government for its outlay. The Reclamation Service should be extended to cover these broad purposes of storage and conservation of water rather than the narrow purpose of irrigation. Such important projects as the dam at Boulder Canyon, the dam at Cove Creek, and the development of the Columbia, should ultimately be undertaken when there is need for such service and when contracts can be made for the sale of power to amortize the cost of construction to the Government. The actual construction work under this plan should

be carried out by the Public Works Administrator and the completed projects administered by the Reclamation Service.

CONSERVATION OF WESTERN RANGES

There should be a change in policy in dealing with public lands if we are to preserve their value for grazing and other purposes. The Committee on Conservation and Administration of the Public Domain, authorized by act of the Congress approved April 10, 1930, completed the task assigned to it a year ago. Its report has been transmitted to Members of the Congress. Legislation carrying into effect the recommendations of the committee also is before the Congress. These proposals are the result of painstaking study and earnest deliberation. They offer a solution of the problems, connected with this remnant of our public domain, which have persisted for the past 25 years. I commend the report to the attention of the Congress, deeming the legislation of sufficient importance to justify early action.

CONCLUSION

In conclusion, I can not recommend too strongly that the Congress give the subject of effective organization of the executive branch of the Government its early and serious attention. It is an essential part of a sound reconstruction and economy program. A patchwork organization compels inefficiency, waste, and extravagance. Economy and efficiency can come only through modernization. A proper reorganization of our departments, commissions, and bureaus will result, not only in much greater efficiency and public convenience, but in the saving of many millions of dollars now extracted annually from our overburdened taxpayers.

HERBERT HOOVER

The White House,
February 17, 1932.

NOTE: The "Economy Act," Part II of the act of June 30, 1932 (Public, No. 212, 47 Stat. 399) authorized Presidential reorganization of executive agencies. See also Item 212.

51

Message to a Dinner Honoring Disabled Veterans.
February 17, 1932

[Released February 17, 1932. Dated February 1, 1932]

My dear Dr. Jablons:

Please convey to the Grand Street Boys and their guests, the Disabled Veterans of the World War of the metropolitan area of New York, my cordial greetings in connection with the annual dinner. The occasion reflects the gratitude which all citizens will feel for all time for their unselfish service to the country.

Yours faithfully,
HERBERT HOOVER

[Dr. Abraham Jablons, Grand Street Boys' Post No. 1025, The American Legion, 106-108 West 55th Street, New York City]

NOTE: The message was read at a dinner honoring 350 disabled veterans.

52

Message to the World Conference on Narcotic Education.
February 18, 1932

PLEASE EXTEND my cordial greetings to the members of the fifth annual conference of committees of the World Narcotic Defense Association and my earnest hope that it may be inspired to yet more effective measures to destroy this fearful menace to the well-being of the race.

HERBERT HOOVER

[World Narcotic Defense Association, McAlpin Hotel, New York City]

NOTE: The message was read at the fifth annual conference of the International Narcotic Education Association and the World Narcotic Defense Association which met in the McAlpin Hotel in New York City.

62

53

Message to Charles M. Schwab on His 70th Birthday.
February 18, 1932

[Released February 18, 1932. Dated February 16, 1932]

My dear Mr. Schwab:

I hear that you will reach your seventieth birthday on February 18th.

I wish to add my congratulations to the many others you will receive on that day and I wish you many more such anniversaries.

Yours faithfully,

HERBERT HOOVER

[Mr. Charles M. Schwab, 25 Broadway, New York City]

NOTE: The message was made public at a press interview held at Mr. Schwab's office in New York City on February 18, 1932. Mr. Schwab was chairman of the board of the Bethlehem Steel Corporation.

54

The President's News Conference of
February 19, 1932

NEW YORK STOCK EXCHANGE

THE PRESIDENT. I have a question from the press as to conferences held with officials of the New York Stock Exchange. There have been discussions, as is reported, between myself and other officials of the administration with officials of the New York Stock Exchange on the question of bear raids. The stock exchange officials have, during the last 8 months, from time to time taken steps with some degree of success to restrain these raids. But during the latter part of January despite their efforts, there was a large increase in the short account, which unquestionably affected the price of securities and brought discouragement to the country as a whole. I and the other administration officials again expressed our views to the managers of the exchange that they

should take adequate measures to protect investors from artificial depression of the price of securities for speculative profit. Individuals who use the facilities of the exchange for such purposes are not contributing to the recovery of the United States.

GEORGE WASHINGTON BICENTENNIAL

And I have a confidential document here, comprising a speech on the subject of George Washington, to be delivered next Monday, which you can have copies of.

NEW YORK STOCK EXCHANGE

Q. Mr. President, may we have that statement on the stock exchange for quotation?

THE PRESIDENT. Yes.

NOTE: President Hoover's two hundred and thirty-fifth news conference was held in the White House at 4 p.m. on Friday, February 19, 1932.

On the same day, the White House issued a text of the President's statement on the New York Stock Exchange (see Item 55).

55

Statement on the New York Stock Exchange.
February 19, 1932

THE PRESIDENT said:

"I have a question from the press as to conferences held with officials of the New York Stock Exchange. There have been discussions, as is reported, between myself and other officials of the administration with officials of the New York Stock Exchange on the question of bear raids. Stock exchange officials have, during the past 8 months, from time to time taken steps to restrain bear raiding with a degree of success. But during the latter part of January, despite these steps, there was a large increase in the short account which unquestionably affected the price of securities and brought discouragement to the country as a whole. I and other administration officials again expressed our views

64

to the managers of the exchange that they should take adequate measures to protect investors from artificial depression of the price of securities for speculative profit. Individuals who use the facilities of the exchange for such purposes are not contributing to recovery of the United States.”

56

Address to a Joint Session of Congress
Opening the Celebration of the Bicentennial
of the Birth of George Washington.
February 22, 1932

JUST 100 YEARS AGO in this city Daniel Webster, in commemoration of the birth of George Washington, said:

“A hundred years hence, other disciples of Washington will celebrate his birth, with no less of sincere admiration than we now commemorate it. When they shall meet, as we now meet, to do themselves and him that honor, so surely as they shall see the blue summits of his native mountains rise in the horizon, so surely as they shall behold the river on whose banks he lived, and on whose banks he rests, still flowing on toward the sea, so surely may they see, as we now see, the flag of the Union floating on top of the Capitol and then, as now, may the sun in his course visit no land more free, more happy, more lovely, than this, our own country.”

The time that Webster looked forward to is here. We “other disciples of Washington” whom he foresaw are gathered today. His prophecy is borne out, his hope fulfilled. That flag “still floats from the top of the Capitol.” It has come unscathed through foreign war and the threat of internal division. Its only change is the symbol of growth. The 13 stars that Washington saw, and the 24 that Webster looked upon, now are 48. The number of those who pay loyalty to that flag has multiplied tenfold. The respect for it beyond our borders, already great when Webster spoke 100 years ago, has increased—not only in proportion to the power it symbolizes, but even more by the measure in which other

peoples have embraced the ideals for which it stands. To Webster's expression of hope we may reasonably answer, yes—"The sun in its course visits no land more free, more happy, more lovely, than this, our own country." Proudly we report to our forefathers that the Republic is more secure, more constant, more powerful, more truly great than at any other time in its history.

Today the American people begin a period of tribute and gratitude to this man whom we revere above all other Americans. Continuing until Thanksgiving Day they will commemorate his birth in every home, every school, every church, and every community under our flag.

In all this multitude of shrines and forums they will recount the life history and accomplishments of Washington. It is a time in which we will pause to recall for our own guidance, and to summarize and emphasize for the benefit of our children, the experiences, the achievements, the dangers escaped, the errors redressed—all the lessons that constitute the record of our past.

The ceremonial of commemorating the founder of our country is one of the most solemn that either an individual or a nation ever performs; carried out in high spirit it can be made one of the most fruitful and enriching. It is a thing to be done in the mood of prayer, of communing with the spiritual springs of patriotism and of devotion to country. It is an occasion for looking back to our past, for taking stock of our present and, in the light of both, setting the compass for our future. We look back that we may recall those qualities of Washington's character which made him great, those principles of national conduct which he laid down and by which we have come thus far. We meet to reestablish our contact with them, renew our fidelity to them.

From this national revival of interest in the history of the American Revolution and of the independence of the United States will come a renewal of those inspirations which strengthened the patriots who brought to the world a new concept of human liberty and a new form of government.

So rich and vivid is the record of history, that Washington in our day lives again in the epic of the foundation of the Republic. He appears in

the imagination of every succeeding generation as the embodiment of the wisdom, the courage, the patience, the endurance, the statesmanship, and the absence of all mean ambition, which transformed scattered communities of the forest and the frontiers into a unity of free and independent people.

It is not necessary for me to attempt a eulogy of George Washington. That has been done by masters of art and poetry during more than 100 years. To what they have said I attempt to make no addition.

The true eulogy of Washington is this mighty Nation. He contributed more to its origins than any other man. The influence of his character and of his accomplishments has contributed to the building of human freedom and ordered liberty, not alone upon this continent but upon all continents. The part which he played in the creation of our institutions has brought daily harvest of happiness to hundreds of millions of humanity. The inspirations from his genius have lifted the vision of succeeding generations. The definitions of those policies in government which he fathered have stood the test of 150 years of strain and stress.

From the inspiration and the ideals which gave birth to this Nation, there has come the largest measure of liberty that man has yet devised. So securely were the foundations of this free Government laid that the structure has been able to adapt itself to the changing world relations, the revolutions of invention and the revelations of scientific discovery, the fabulous increase of population and of wealth, and yet to stand the kaleidoscopic complexities of life which these changes have brought upon it.

What other great, purely human institution, devised in the era of the stagecoach and the candle, has so marvelously grown and survived into this epoch of the steam engine, the airplane, the incandescent lamp, the wireless telephone, and the battleship?

If we are to get refreshment to our ideals from looking backward to Washington, we should strive to identify the qualities in him that made our revolution a success and our Nation great. Those were the qualities that marked Washington out for immortality.

We find they were not spectacular qualities. He never charged with a victorious army up the capital streets of a conquered enemy. Excepting

only Yorktown and Trenton, he won no striking victories. His great military strength was in the strategy of attrition, the patient endurance of adversity, steadfast purpose unbent by defeat. The American shrine most associated with Washington is Valley Forge, and Valley Forge was not a place of victory—except the victory of Washington's fortitude triumphant above the weakness and discouragement of lesser men. Washington had courage without excitement, determination without passion.

The descriptions of George Washington by his contemporaries give us no clear picture of the inner man, the Washington whose spiritual force so palpably dominated his whole epoch. As a mirror, his own writings do him indifferent justice, whilst the writings of others are clouded by their awe or are obscured by their venom. We must deduce mainly from other records why he stood out head and shoulders above all the crowd around him. It was an extraordinary crowd, living at white heat, comprising men as varied, as brilliant, as versatile as the extraordinary demands which the times made upon them. They were men flexible in intellect, and versed in the ways of the world. Yet in every crisis, and for every role they turned to Washington. They forced upon him the command of Indian fighters; they made him a general against trained British troops; they demanded that he be a constitutionalist and a national statesman; they insisted he must guide his country through the skillful ambushes of European kings; they summoned him to establish the nonexistent credit of an insolvent infant nation. Why did his brilliant fellow patriots always thus turn to him?

The answer of history is unmistakable: They brought their problems to Washington because he had more character, a finer character, a purer character, than any other man of his time. In all the shifting pressures of his generation, all men acknowledged that the one irresistible force was the overwhelming impact of his moral power. Motives and men were measured by their stature when standing in his shadow. Slander fell harmless before him, sham hung its head in shame, folly did not risk to look him in the face, corruption slunk from his presence, cowardice dared not show its quaking knees.

In his integrity, all our men of genius in his day found their one sure center of agreement. In his wisdom and authority they found the one sure way to practical fulfillment of their dreams.

We need no attempt at canonization of George Washington. We know he was human, subject to the discouragements and perplexities that come to us all. We know that he had moments of deepest anxiety. We know of his sufferings and the sacrifices and anguish that came to him. We know of his resentment of injustice and misrepresentation. And yet we know that he never lost faith in our people.

Nor have I much patience with those who undertake the irrational humanizing of Washington. He had, indeed, the fine qualities of friendliness, of sociableness, of humanness, of simple hospitality, but we have no need to lower our vision from his unique qualities of greatness, or to seek to depreciate the unparalleled accomplishments of the man who dominated and gave birth to the being of a great nation.

What we have need of today in this celebration is to renew in our people the inspiration that comes from George Washington as a founder of human liberty, as the father of a system of government, as the builder of a system of national life.

It is of primary importance that we of today shall renew that spark of immortal purpose which burned within him, shall know of the resolution and the steadfastness which carried him forward to the establishment of a nation. That establishment was not a momentary flash of impulse, in a people rebellious and passionate under oppression, destined to fade into the chaos so often born of revolutions. On the contrary, it was builded upon foundations of principles and ideals which have given the power and strength that made this Nation and inspired the establishment of ordered liberty in a score of other nations.

We have need to refresh to the remembrance of the American people the great tests and trials of character of the men who founded our Republic. We have need to remember the fiber of those men who brought to successful conclusion the 8 years of revolution. We have need again to bring forth the picture of the glories and the valor of Lexington and Concord, of Bunker Hill, the suffering and fortitude of

Valley Forge, the victory of Yorktown. We have need to revive the meaning and the sheer moral courage of the Declaration of Independence, the struggles of the Continental Congress, the forming of the Constitution. We have need at all times to review the early crises of the Republic, the consolidation of the Union, the establishment of national solidarity, the building of an administration of government, and the development of guarantees of freedom. No incident and no part in these great events, which have echoed and reechoed throughout the world for a century and a half, can be separated from the name and the dominant leadership of George Washington.

Upon these foundations of divine inspiration laid by our forefathers, and led by Washington, our Nation has builded up during this century and a half a new system of life, a system unique to the American people. It is hallowed by the sacrifice and glorious valor of men. It is assured by a glorious charter of human rights.

It comprises a political system of self-government by the majority, resting upon the duties of individual men to the community, and of the local communities to the Nation. It is a government designed in spirit to sustain a dual purpose, to protect our people among nations by great national power, and to preserve individual freedom by local self-government.

It comprises a social system free of inherited position, based upon the ideal of equality of all men before the law, the equal privilege of men to strive and to achieve, and the responsibilities of men to their neighbors.

It embraces an economic system based upon the largest degree of freedom and stimulation to initiative and enterprise which can be permitted and still maintain the ideal of equality of opportunity among men.

Finally, it embraces a system of relationships to other nations based upon no thought of imperialism, no desire to dominate; a determined national self-reliance in defense and independence in action; freedom from all commitment to the unknown future, and an aspiration to promote peace and good will among all men.

Perhaps no single part of this system is different from some instance in history or in some other part of the world. But in its composite form it is distinctly unique and distinctly American, a system under which we have reached an assured position among the most powerful of the nations of the world.

This destiny of national greatness was clearly foreseen by George Washington. More fully than any man of his time was he gifted with vision of the future. He spoke habitually of the "American Empire," and predicted its expansion from ocean to ocean. He planned and wrought for the binding forces of transportation and peaceful commerce. He thought in terms of almost imperial grandeur, and he wrought in terms of republican solidity. His farflung dreams have come true, and he lives today in his works, in the names of our towns or cities and our States, and in the affectionate reverence of us who so immeasurably benefit by his wisdom.

Our American system of national life is dependent upon a trust in the principles of government as established by George Washington; a trust in his example to our people; a trust in and a devotion to religious faith, which he himself so devoutly practiced; a trust in that divine inspiration which he so sedulously invoked and which is expressed in the common mind of our people; and above all a trust in the Divine Providence which has always given guidance to our country.

From Washington's spirit there has grown an infusion of social ideals with the quality of magnanimity: upholding prosperity with generosity, dignity with forbearance, security without privilege, which has raised our institutions to a level of humanity and nobility nowhere else attained.

We have the faith that Webster expressed that 100 years hence our countrymen will again celebrate his birth, will review the memory of his services with no less sincere admiration and gratitude than we now commemorate it, and that they too will see, as we now see, "the flag of the Union floating on the top of the Capitol."

From the room where I conduct my high office I hourly see the monument which Washington's proud and grateful countrymen have raised to his memory. It stands foursquare to the world, its base rooted steadfast in the solid substance of American soil. Its peak rises towards

the heavens with matchless serenity and calm. Massive in its proportions, as was the character of Washington himself, overwhelming in its symmetry, simplicity, and sincerity, it most fittingly, beautifully, and nobly proclaims the founder of our commonwealth and our acceptance of his faith. Around that monument have grown steadily and surely the benevolent and beneficent agencies of orderly government dedicated to the spirit of Washington.

Beyond any other monument built by the hand of man out of clay and stone, this shaft is a thing of the spirit. Whether seen in darkness or in light, in brightness or in gloom, there is about it a mantle of pure radiance which gives it the aspect of eternal truth. It is a pledge in the sight of all mankind, given by Washington's countrymen, to carry forward the continuing fulfillment of his vision of America.

NOTE: The President spoke at 12 noon in the Chamber of the House of Representatives at the Capitol. The address was carried on national and international radio.

A reading copy of this item with holograph changes by the President is available for examination at the Herbert Hoover Presidential Library.

57

Remarks to the National Education Association
at Mount Vernon, Virginia.

February 22, 1932

IT IS a signal event that the representatives of teachers of our whole country should meet at Mount Vernon this day. Because our teachers more than any other group have both the privilege and the duty to guide the steps in each new generation on the road of democracy, to instruct them with understanding and reverence for the spiritual benefits which flow from this history of this great man, and to instill our children with the accomplishments of the men who have made and guided our Nation.

We meet here today in one of the places which physically in itself is enchanting and beautiful in its grounds, buildings, and associations, but it is not these which attract hither the steps or thoughts of millions of Americans. It is the memory and the spirit of the greatest man of our race which pervades these grounds. It is a national shrine, the very name of which swells our hearts with pride and gratitude. It has been preserved and cared for all these many years by the women of America in whose trusteeship the Nation can find no greater assurance of its meaning, its sanctity and reverence.

You have come from every part of our country, from homes, towns, cities, and States unknown to Washington's life, yet each and every one of which received untold blessings from his life and his public service. To you more than anyone else we entrust the translation of Washington to our children, and that is a trusteeship which the Nation can find no greater assurance of its meaning, of its sanctity and reverence.

NOTE: The President spoke at 3:30 p.m. from the Mount Vernon portico to an assembly of the association's members. The remarks followed a ceremony during which he placed a wreath on Washington's tomb. National and international radio hookups carried the remarks.

58

Message to the Jewish National Fund of America.
February 22, 1932

[Released February 22, 1932. Dated February 19, 1932]

My dear Mr. Ruttenberg:

I thank you cordially for bringing to my attention the purpose of American Jews, under the auspices of the Jewish National Fund, to plant a forest of pines and eucalyptus trees in Palestine, as a living memorial to George Washington. I am deeply interested in all proposals

[59] Feb. 24 *Public Papers of the Presidents*

to honor the memory of our first President during this bicentennial year.

Yours faithfully,
HERBERT HOOVER

[Mr. Nelson Ruttenger, President, Jewish National Fund of America, 111 Fifth Avenue, New York City]

NOTE: The message was read at a meeting of Zionist leaders, held in the Hotel Pennsylvania in New York City.

59

Statement About Congressional Action
on Reorganization of the Executive Branch.
February 24, 1932

THE PRESIDENT said:

"I am delighted that the Congress is earnestly taking up the reorganization of the Federal machinery. I will be entirely happy if my repeated messages to the Congress on the subject succeed in securing action in an effective fashion.

"It is a most unpleasant task to abolish boards and bureaus and to consolidate others, and at the same time it is a difficult job to do it so wisely as not to injure the efficiency and morale of our Army and Navy and other essential Government services. Congress has attempted repeatedly in the last 25 years to effect reorganizations and has always abandoned the efforts under a multitude of oppositions. My suggestion for the past 5 years has been that the responsibility should be lodged with the Executive with the right of Congress to review the actions taken. I, of course, continue to entertain that belief, because of the failures of the past, and I believe results would be most expeditiously and efficiently accomplished if responsibility is lodged with someone to do it.

"There is more hope now than heretofore that Congress will act because of the transcendent need for economy. The large number of

investigations and reports which have been made over the last 25 years furnish the material and advice necessary for rapid action. I hope it will be done with such expedition as to give prompt relief to the taxpayers."

NOTE: As of February 24, 1932, the House of Representatives had created a seven-man Select Committee on Economy to investigate the possibilities of consolidation. The committee was chaired by Representative Joseph W. Byrns of Tennessee.

60

Message to the Chairman
of the Citizens Reconstruction Organization.
February 25, 1932

[Released February 25, 1932. Dated February 24, 1932]

YOU MAY WISH to announce the fact that from the first of the year up to my announcement of your organization and its program the amount of hoarding estimated by the Federal Reserve Board after making allowance for seasonal changes was two hundred ninety five millions and that since that date until February twenty-third there has been a return of sixty millions to circulation likewise after making allowance for seasonal changes.

HERBERT HOOVER

[Col. Frank Knox, Chicago Daily News, Chicago, Ill.]

NOTE: Mr. Knox released the message in Chicago, Ill.

61

Message to a Testimonial Dinner
Honoring James C. Colgate.
February 25, 1932

[Released February 25, 1932. Dated February 24, 1932]

I WILL BE OBLIGED if you will express my cordial greetings to those gathered at the testimonial dinner being tendered by the alumni and friends of Colgate University to Mr. James C. Colgate on tomorrow evening and also my warm appreciation of Mr. Colgate's distinguished service in forwarding the training of young men and developing their characters for service to the country.

HERBERT HOOVER

[Mr. George O. Tamblin, 17 East 42nd Street, New York City]

NOTE: The message was read at the dinner, which was held in the Pennsylvania Hotel in New York City and was sponsored by the New York District of the Colgate University Alumni Corporation.

Mr. Colgate was the president of the board of trustees of Colgate University.

62

Message to the National Education Association.
February 25, 1932

My dear Dr. Potter:

I congratulate the Department of Superintendence of the National Education Association most cordially upon the success of its conference just closing in Washington; and the Nation upon the inspiration in the high service of education that flows out to the country from its deliberations. These serve again to remind our people that, however, the national economy may vary or whatever fiscal adjustments may need be made, the very first obligation upon the National resources is the undiminished

76

financial support of the public schools. We can not afford to lose any ground in education. That is neither economy nor good government.

Yours faithfully,

HERBERT HOOVER

[Dr. Milton Chase Potter, President of the Department of Superintendence of the National Education Association, Washington, D.C.]

NOTE: The message was read to the closing session of the organization's 62d annual convention.

63

The President's News Conference of
February 26, 1932

FEDERAL RESERVE ACT, AMENDMENTS

THE PRESIDENT. I understand the Glass-Steagall bill has passed the House, but I haven't had it yet. I will be signing it tomorrow and will give you a statement about it then.

BANKRUPTCY LAW AND JUDICIAL REFORM

I am sending to Congress early next week a message on the subject of reform of the bankruptcy laws and procedure of the Federal courts in criminal cases.

Two years ago I directed a searching investigation by the Department of Justice and the Department of Commerce into the whole condition in bankruptcy administration. As you will recollect, that is a Federal function. That investigation has disclosed that the number of cases in bankruptcy steadily increased from 23,000 in 1921 to 53,000 in 1928 and to 65,000 in 1931. The losses to creditors increased in that period from \$144 million in 1921 to \$740 million in 1928 and to \$900 million in 1931. Those increases are, therefore, not the result of the economic situation, as by far the major portion of them came during the time of prosperity and from far deeper causes than the economic situation. We are trying to reach those causes in some proposed legislation.

The Bankruptcy Act has proved to be defective and to allow a great many loopholes for exploitation of both the bankrupt and the creditors—a great deal of injustice on both sides.

In the matter of criminal procedure in the Federal courts, we had an investigation by the Department of Justice and the Law Enforcement Commission and the different bar associations, and they all combine on certain recommendations as to the reforms in criminal procedure, in the matter of permitting accused persons to waive indictment by grand juries if they wish to plead guilty, to overcome technicalities in the constitution of grand juries, to simplify procedure in the district courts and in procedure in appealing cases to the higher courts. The object of all of these reforms being to expedite criminal trials and appeals and thus add a deterrent to crime by diminishing the technicalities of which convicted can take advantage to delay ultimate decision.

The message will also contain some recommendations on diversity of citizenship in the Federal courts and some recommendations for the relief of congestion in some of the courts by the addition of certain judges as recommended by the judicial council.

These reforms ought to result, if enacted, in the saving of a good many million of dollars of creditors and bankrupts and in a great deal of direct economies in the administration of justice.

Otherwise than that I have no news today.

NOTE: President Hoover's two hundred and thirty-sixth news conference was held in the White House at 4 p.m. on Friday, February 26, 1932.

On the same day, the White House issued a text of the President's statement on bankruptcy law and judicial reform (see Item 64).

64

Statement on Bankruptcy Law and Judicial Reform.
February 26, 1932

THE PRESIDENT said:

"I shall be sending to the Congress early next week a message on the subject of reform of the bankruptcy laws and procedure of the Federal courts in criminal cases.

78

"Two years ago I directed that a searching investigation be undertaken in the matter of bankruptcy laws by the Department of Justice and the Department of Commerce; that investigation has been completed. The Departments have had the able cooperation of different private bodies. The investigation disclosed that the number of cases of bankruptcy steadily increased from 23,000 in 1921 to 53,000 in 1928 and to 65,000 in 1931. Losses to creditors have increased from \$144 million in 1921 to \$740 million in 1928 and to \$911 million in 1931. Increases are, therefore, not due to the economic situation but to deeper causes as the largest portion of these increases happened during times of prosperity.

"The present Bankruptcy Act proved, in this investigation, to be defective and to hold out inducements for waste of assets and to permit exploitation and disregard of the rights of creditors and many injustices to bankrupts themselves.

"In the matter of criminal procedure in Federal courts, the investigations by the Department of Justice, the Law Enforcement Commission, and different bar associations agree on recommendations of certain reforms in the matter of permitting accused persons to waive indictment by grand juries if they wish to plead guilty, to overcome technicalities in the constitution of grand juries, to simplify the procedure of the district courts and appeals in criminal cases to the higher courts—the object of all these reforms being to expedite criminal trials and appeals and thus add a deterrent to crime by diminishing technicalities of which convicted persons can take advantage to produce long delays.

"The message will also contain some recommendations as to questions of diversity of citizenship in the Federal courts and some recommendations for relief of congestion in the courts by the addition of certain judges as recommended by the judicial council."

65

Veto of a Bill for the Relief of Alexander M. Proctor.

February 26, 1932

To the Senate:

I return herewith Senate Bill 2179, An Act for the relief of Alexander M. Proctor.

I am advised that this bill would not operate to change the records of the War Department nor would it authorize the issue of a certificate of honorable discharge to Alexander M. Proctor, but that under its provisions Mr. Proctor would be entitled to a pension at the rate of \$50 (maximum) per month under the act of March 3, 1927, known as the Indian War Pension Act. The relief appealed for by Mr. Proctor is for a change in his military record to an honorable discharge. This the bill does not accomplish. I am assured also that Mr. Proctor neither desires nor needs a pension. Therefore, I am returning the bill without my approval.

HERBERT HOOVER

The White House,

February 26, 1932.

NOTE: The Senate referred the bill to the Committee on Military Affairs and no further action was taken.

Mr. Proctor had received a dishonorable discharge in 1875 following the discovery that he had misrepresented his age when enlisting.

66

Statement on Signing the Federal Reserve Act, Amendments.

February 27, 1932

THE PRESIDENT said:

"In signing this bill which comprises an essential part of the reconstruction program, I desire to express my appreciation to the leaders and Members of both Senate and House of both parties, who have cooperated in its enactment. The fine spirit of patriotic nonpartisanship shown in

carrying out the emergency program is, I know, appreciated by the whole country.

"The bill should accomplish two major purposes.

"First. In a sense this bill is a national defense measure. By freeing the vast amounts of gold in our Federal Reserve System (in excess of the gold reserve required by law), it so increases the already large available resources of the Federal Reserve banks as to enable them beyond question to meet any conceivable demands that might be made on them at home or from abroad.

"Second. It liberalizes existing provisions with regard to eligibility of collateral and thereby enables the Federal Reserve banks to furnish accommodations to many banks on sound assets heretofore unavailable for rediscount purposes.

"The gradual credit contraction during the past 8 months arising indirectly from causes originating in foreign countries and continued domestic deflation, but more directly from hoarding, has been unquestionably the major factor in depressing prices and delaying business recovery.

"This measure I am signing today, together with the additional capital provided for the Federal land banks and the creation of the Reconstruction Finance Corporation, will so strengthen our whole credit structure and open the channels of credit as now to permit our banks more adequately to serve the needs of agriculture, industry, and commerce.

"I trust that our banks with the assurances and facilities now provided will reach out to aid business and industry in such fashion as to increase employment and aid agriculture.

"I am confident that the further nonpartisan measures of reconstruction to assist the earlier payment of depositors in closed banks, to apply rigid economy in Government expenditures, to balance the budget, to reform railway regulation, etc., will be dealt with by the Congress in the same spirit of cooperation that these great questions have already received."

NOTE: The Federal Reserve Act, amendments (H.R. 9203) is Public, No. 44 (47 Stat. 56.) The act was popularly known as the Glass-Steagall Act.

67

Message on Army Day.
February 27, 1932

[Released February 27, 1932. Dated February 15, 1932]

Dear General Delafield:

Army Day gives the nation an opportunity to express grateful appreciation to those who exposed their lives to the dangers of the battlefield and those who fell in defense of our national ideals. I wish to join in this expression and to commend the great citizen components of our military forces for their patriotic services.

Yours faithfully,
HERBERT HOOVER

[Brig. Gen. John R. Delafield, Commander in Chief, Military Order of the World War, Washington, D.C.]

NOTE: General Delafield made the message public in conjunction with publicity about the observance of Army Day, April 6, 1932.

68

Message to the Young Men's Christian Association
of Brooklyn and Queens, New York.
February 29, 1932

My dear Mr. Greeley:

I shall be obliged if you will extend my greetings to the Brooklyn and Queens Young Men's Christian Association at their meeting on February 29th to survey anew its great character-building task. Society has laid a heavy obligation upon every agency dedicated to helping young men and boys in their effort to become upright and strong and

82

you have my most earnest wishes for success in your part in this great task.

Yours faithfully,

HERBERT HOOVER

[Mr. A. H. Greeley, General Secretary, Brooklyn and Queens Young Men's Christian Association, 55 Hanson Place, Brooklyn, N.Y.]

NOTE: The message was read at a fundraising dinner, held in The Towers, Brooklyn, N.Y.

69

Special Message to the Congress
on Reform of Judicial Procedure.

February 29, 1932

To the Senate and House of Representatives:

On previous occasions I have called the attention of the Congress to the necessity of strengthening and making certain changes in our judicial and law-enforcement machinery. Since then substantial progress has been made both through improved methods of administration and additional legislation. However, there is room for further improvement. With this in mind, in my annual message on the state of the Union, I stated that I would address the Congress at a later date on important matters of reform in organization and procedure of criminal law enforcement and the practices of the Federal courts. The subjects are of highly technical character. They have been exhaustively examined by the Department of Justice, the Commission on Law Enforcement, and recommendations have been made over many years by various bar associations of the country.

CONGESTION IN THE COURTS

Improvement has been shown during the past three years through steps taken under direction of the Attorney General in more efficient organization of enforcement agencies through congressional action in concentration of the responsibilities in the Department of Justice and

through the prison reform laws passed by the Congress. Yet despite every effort there is still undue congestion in the courts in a number of districts.

The following statistics indicate this congestion as well as the progress made:

In private litigation in the Federal courts in the last 5 years there has been no large increase in the number of cases commenced, but the courts have not been able to reduce the number of such cases pending and awaiting trial.

The number of Government civil cases begun in 1928 was 20,695, increasing each year until in 1931 the total was 25,332. Cases terminated during this period show that the judicial department has kept pace with the increase but has been unable to reduce the congestion.

The number of bankruptcy cases begun has increased from 53,000 in 1928 to 65,000 in 1931, with a steady increase in the number of cases undisposed of at the end of each year.

Criminal cases commenced have increased from 1928 to 1931, but the number pending shows a decrease from 30,400 at the end of 1928 to 27,900 at the end of 1931. In 1931 alone 4,000 more criminal cases were disposed of than commenced, showing a definite gain in this field. There has also been a steady improvement in the quality of the work of the prosecuting agencies. Despite an increase in the volume of criminal cases begun, there has been a steady reduction in the number left pending each year. The results attained show a greater percentage of convictions and a lower ratio of dismissals and acquittals. In 1928, 78.3 per cent of criminal cases terminated were by verdict and plea of guilty, while in 1931 this ratio had increased to 84.2 per cent. In 1928, 21.7 per cent of criminal cases were terminated by dismissal or acquittal, while in 1931 this figure had fallen to 15.8 per cent.

Final results of the more effective work of the Federal agencies for enforcement of criminal laws are evidenced by increase of prisoners. The number of Federal convicts in prison institutions and on parole increased from 19,110 at the end of 1928 to 27,871 on June 30, 1931. During the same period the number on probation increased from 3,500 to 12,000. The total number of Federal convicts under some form of

restraint was 39,900 on June 30, 1931, as compared with 22,600 on June 30, 1928. The recent reorganization of the parole and probation systems not only has produced a humane result, but has relieved an otherwise impossible prison congestion. These gains in effectiveness have been the result mainly of improvement in personnel, of administrative effort and reorganization, and not of reforms in judicial procedure.

I commend to the attention of the Congress the recommendations of the Judicial Conference on the subject of increased personnel. Relief should be granted in those districts where private litigants are suffering from delay, where civil and criminal dockets are seriously congested, and additional judges are needed.

REFORM IN CRIMINAL PROCEDURE

The extent of crime is and must be a subject of increasing concern to the Government and to every well-disposed citizen. This increase is by no means confined to the violation of new criminal laws.

Some part of all crime is due to confidence of criminals in the delays of the law and to their ability to avoid conviction and to delay penalties by misuse of the procedure and provisions of the law intended to assure fair trial. This is more manifest in procedure in the courts of some States than in the Federal courts. Yet important reforms in the Federal establishment and in the Federal procedure are needed and must be undertaken. Aside from its direct result, the indirect result of high standards in the Federal courts is of nation-wide influence.

CRIMINAL APPEALS

The present procedure in criminal appeals to the United States circuit courts of appeal and the procedure in the United States district courts, in preparation for appeals after verdicts of guilty, lend themselves to delay and unnecessary expense. With the granting of bail and the stay of execution of the sentence, the convicted person loses all incentive to expedite his appeal. No small part of the general criticism of the delay in criminal cases rises from the delays in the preparation and hearing of appeals after verdicts of guilty, and a reform in these particulars would be a long step in advance.

Respect for the law and the effect of convictions as a deterrent to crime are diminished if convicted persons are observed by their fellow citizens to be at large for long periods pending appeal. All steps subsequent to verdicts of guilty are involved in these processes. A statutory code of procedure on this subject would not be sufficiently flexible. I suggest that the Supreme Court of the United States be authorized to prescribe uniform rules of practice and procedure in criminal cases for all proceedings after verdicts in the district courts, and for the circuit courts of appeal, including the courts of the District of Columbia. The success of the Supreme Court in the prompt disposition of criminal cases brought before it gives confidence that it will deal effectively with this subject. The objection heretofore advanced to authorizing the Supreme Court to establish uniform rules of procedure in civil cases, that such rules would destroy the conformity between practice in State and Federal courts, has no validity against the proposal for uniform procedure in criminal cases, in which no conformity exists.

WAIVER OF INDICTMENTS

Legislation should be enacted to permit an accused person to waive the requirement of indictment by grand jury. Where the accused admits his guilt, preliminary hearings and grand-jury proceedings are not necessary for his protection, they cause unnecessary expense and delay. In such cases the law should permit immediate plea and sentence upon the filing of an information. That would allow the accused to begin immediate service of his sentence without languishing in jail to await action of a grand jury, and would reduce the expense of maintenance of prisoners, lessen the work of prosecutors, and tend to speed up disposition of criminal cases.

INVALIDITY OF INDICTMENTS THROUGH THE DISQUALIFICATION OF GRAND JURORS

There have been many instances, some recently in the Supreme Court of the District of Columbia, where indictments, returned after long and expensive hearings, have been invalidated by the discovery of the presence on the grand jury of a single ineligible juror. By law

applicable to the United States district courts, including the Supreme Court of the District of Columbia, it should be provided that if not less than 12 eligible grand jurors vote for an indictment it shall not be invalidated because of the presence of ineligible jurors. Legislation should be enacted limiting the time for making motions to quash indictments because of disqualifications of grand jurors.

All the foregoing proposals relating to criminal procedure should be made applicable to the Supreme Court of the District. In addition, the statutes in force in the District respecting the qualifications of grand and petit jurymen and their selection should be thoroughly examined and overhauled. Grounds of ineligibility now exist which do not affect the availability or impartiality of jurymen.

The system now in operation in the District for preparing lists of persons qualified for jury service requires improvement.

JUVENILE DELINQUENTS

Each year many juveniles charged with violation of law fall into the custody of the Federal authorities. In the interest of child welfare there should be legislation enabling the Attorney General to forego prosecution of children in the Federal courts and to return them to State authorities to be dealt with by juvenile courts and other State agencies equipped to deal with juvenile delinquents.

JURISDICTION BASED ON DIVERSITY OF CITIZENSHIP

The Constitution provides that the judicial power of the Federal courts shall extend to cases between citizens of different States and the Judiciary Acts have provided for the exercise of this jurisdiction. In its application, the courts have determined that a corporation shall be deemed a citizen of the State under whose law it is organized. Cases involving corporations, with jurisdiction based on diversity of citizenship, form a substantial part of the business of the Federal courts. Legislation heretofore has been proposed to abolish entirely the jurisdiction of the Federal courts based on diversity of citizenship. I do not approve of such a measure.

The reasons which induced the constitutional grant to the Federal courts of jurisdiction over cases between citizens of different States still exist. To abolish that jurisdiction entirely would work to the detriment of those States which look to outside capital for the development of their business and commerce. As applied to special types of cases, however, affecting corporations, the present law allows the Federal courts to exercise jurisdiction because of diversity of citizenship, in cases not within the real purpose and spirit of the constitutional provision referred to.

I recommend the consideration by the Congress of a measure to modify this jurisdiction to a limited extent by providing that where a corporation, organized under the laws of one State, carries on business in another State it shall be treated as a citizen of the State wherein it carries on business as respects suits brought within that State between it and the residents thereof and arising out of the business carried on in such State. Such a change in the law would keep out of the Federal courts cases which do not really belong there and reduce the burdens of the Federal courts without impairing in any degree the diversity of citizenship jurisdiction which the framers of the Constitution had in mind.

PROHIBITION LAW IN THE DISTRICT OF COLUMBIA

I have hitherto recommended legislation effectively to supplement the prohibition law for the District of Columbia. The Attorney General has made recommendations as to the character of such legislation before the committees of the Congress. I again urge favorable action.

BANKRUPTCY

The Federal Government is charged under the Constitution with the responsibility of providing the country with an adequate system for the administration of bankrupt estates. The importance of such a system to the business life of the community is apparent. The number of cases in bankruptcy has steadily increased from 23,000 in the fiscal year 1921 to 53,000 in 1928 and to 65,000 in 1931. The liabilities involved have increased from \$171,000,000 in 1921 to \$830,000,000 in 1928 and to \$1,008,000,000 in 1931, and the losses to creditors have increased from

\$144,000,000 in 1921 to \$740,000,000 in 1928 and to \$911,000,000 in 1931. The increases are therefore obviously not due to the economic situation, but to deeper causes.

A sound bankruptcy system should operate—

First, to relieve honest but unfortunate debtors of an overwhelming burden of debt;

Second, to effect a prompt and economical liquidation and distribution of insolvent estates; and

Third, to discourage fraud and needless waste of assets by withholding relief from debtors in proper cases.

For some time the prevailing opinion has been that our present bankruptcy act has failed in its purpose and needs thorough revision. During the past year the Department of Justice, with my approval, has conducted an investigation into the administration of bankrupt estates in the Federal courts. Nation-wide in its scope, the inquiry has involved intensive study of the practical operation of the bankruptcy act under varying local conditions throughout the United States. Court records and special reports of referees have been analyzed. Organizations of business men and lawyers have assisted in gathering information not available through official channels. Judges, prosecuting officers, referees, merchants, bankers, and others have made available their experience. Data gathered by the Department of Commerce relating to causes of failure and the effect of bad debts upon business has been studied. The history of bankruptcy legislation and administration in this country, and in Great Britain, Canada, and other countries, has been reviewed.

The inquiry has now been completed. Its result is embodied in a report which is transmitted herewith for the consideration of the Congress. Thorough and exhaustive in detail, it presents the information necessary to enable the Congress to determine the faults in the present law and to devise their cure.

The present bankruptcy act is defective in that it holds out every inducement for waste of assets long after business failure has become inevitable. It permits exploitation of its own process and wasteful administration by those who are neither truly representative of the creditor nor the bankrupt.

Except in rare cases it results in the grant of a full discharge of all debts without sufficient inquiry as to the conduct of the bankrupt or of the causes of failure. It discharges from their debts large numbers of persons who might have paid without hardship had the law discriminated between those overwhelmed by misfortune and those needing only temporary relief and the opportunity to deal fairly with their creditors.

The bankruptcy act should be amended to provide remedial processes in voluntary proceedings under which debtors, unable to pay their debts in due course, may have the protection of the court without being adjudged bankrupt, for the purpose of composing or extending the maturity of their debts, of amortizing the payment of their debts out of future earnings, of procuring the liquidation of their property under voluntary assignment to a trustee; or, in the case of corporations, for the purpose of reorganization.

The act should be amended to require the examination of every bankrupt by a responsible official and a full disclosure of the cause of his failure and of his conduct in connection therewith for the consideration of the court in determining whether he should have his discharge.

The discretion of the courts in granting or refusing discharges should be broadened, and they should be authorized to postpone discharges for a time and require bankrupts, during the period of suspension, to make some satisfaction out of after-acquired property as a condition to the granting of a full discharge.

The choice of the liquidating personnel should be limited to competent individuals or organizations after careful consideration by the courts of their qualifications and ability to maintain an efficient and permanent staff for the conduct of the business. Compensation for such services should be upon a scale which will attract trained business organizations. Competent officials should be continuously charged with the observance of the administration of the law and with the duty to suggest to the courts and to Congress methods for its improvement. The present statute is susceptible of improvement to eliminate delay in its cumbersome processes, much of which results from a confusion of judicial and business functions.

The inquiry has not stopped with the collection of information and an expression of general conclusions. Its results have been embodied by the Attorney General in a bill for revision of the present bankruptcy act in order to present the proposals in concrete form.

I earnestly commend them to your consideration.

CONCLUSIONS

Reform in judicial procedure is, for many reasons, a slow process. It is not to be brought about by any single measure. It can best be accomplished by dealing with the subject step by step, the sum of which, in the course of time, will result in definite improvement. Taken together, the proposals above outlined offer an opportunity for substantial improvement in the administration of justice. They tend to decrease the burden on the Public Treasury and upon litigants. None of them requires consequential increase in expenditures. They would reduce crime.

In concluding, may I not say that important as these recommendations are we must all keep before us the thought that effective administration of the law in a Republic requires not only adequate and proper machinery, honest and capable officials, but above all a citizenry imbued with a spirit of respect for law.

HERBERT HOOVER

The White House.

NOTE: On March 3, 1933, the President signed H.R. 14359, the Bankruptcy Act of 1898, amendments (Public, No. 420, 47 Stat. 1467), which partially implemented his recommendations. Congress took no action on his recommendations for judicial reform.

The report on the Justice Department's bankruptcy inquiry and the Attorney General's legislative proposal are printed in Senate Document 65 (72d Cong., 1st sess.).

[70] Feb. 29 *Public Papers of the Presidents*

70

Message to the Matilda Ziegler Magazine for the Blind.
February 29, 1932

[Released February 29, 1932. Dated February 27, 1932]

My dear Mrs. Ziegler:

I am deeply interested to be reminded that March 1st will mark the twenty-fifth anniversary of the foundation of Matilda Ziegler Magazine for the Blind, and I wish to express my deep sense of the wonderful blessing this work has been to those whose darkness has been lightened through this printed eye opening upon the outer world and supplied to them through your generosity and warm human sympathy.

For yourself I wish the fullest measure of every blessing.

Yours faithfully,

HERBERT HOOVER

[Mrs. William Ziegler, 907 Fifth Avenue, New York City]

NOTE: The magazine had been financed by Mrs. Ziegler since its foundation. In 1927, she established the E. Matilda Ziegler Foundation for the Blind, Inc., with a gift of \$600,000 to continue the publication of the magazine.

71

Message to the National Federation
of Business and Professional Women's Clubs.
March 3, 1932

[Released March 3, 1932. Dated February 18, 1932]

I THANK the National Federation of Business and Professional Women's Clubs for its prompt and generous offer of cooperation in furthering the objectives of the Administration's Anti-Hoarding Conference, through the activities of its National Business Women's Week. Restoration of our usual economic prosperity is the business of every citizen. Confidence and courage such as yours is contagious. I extend

92

to all your clubs my congratulations and my very good wishes for a successful National Business Women's Week.

HERBERT HOOVER

[Mrs. Celine MacDonald Bowman, President, National Federation of Business and Professional Women's Clubs, Richmond, Virginia]

NOTE: The message was read at a dinner held in the Waldorf-Astoria Hotel in New York City.

72

Message to a Dinner Honoring Bernard G. Richards.
March 6, 1932

[Released March 6, 1932. Dated March 4, 1932]

My dear Mr. Richards:

I congratulate you most cordially upon your long and useful career in the service of the Jewish people, and wish for you every blessing in the years to come.

Yours faithfully,

HERBERT HOOVER

[Mr. Bernard G. Richards, Hotel Edison, New York City]

NOTE: The message was read at a testimonial dinner held in the Hotel Edison in New York City.

Mr. Richards founded the American Jewish Congress and was a noted journalist.

73

Radio Address on the Hoarding of Currency.
March 6, 1932

IT HAS BEEN the spirit of its people that has made America great. Other regions and other people have enjoyed as great national resources as those that we possess, but it was the spirit of America that made this the richest and most powerful nation on Earth. For more than 2 years

our people have paid the penalty of overspeculation, but far greater than that, they have suffered from economic forces from abroad that fundamentally are the reflexes of the Great War, a situation for which our people had no blame. They have stood their ground with grim courage and resolution.

But this is no occasion to discuss the origins or the character of the economic forces that have developed over the past 2 years. Fighting a great depression is a war with destructive forces in 100 battles on 100 fronts. We must needs fight as in a great war; we must meet these destructive forces by mobilizing our resources and our people against them.

A thoroughly nonpartisan patriotic program of reconstruction is in progress. The Government has exerted itself to the utmost to give a sound, stable basis to the Treasury, to banking, to industry, and to agriculture. The Government alone cannot produce prosperity, but it can liberate the inherent resources and strength of the American people. The people themselves must apply those resources and exert that strength.

The time has now arrived for a new offensive rally in the spirit that has made America great. The battlefield today is against the hoarding of currency, which began about 10 months ago, and with its growing intensity became a national danger during the last 4 months. It has sprung from fears and apprehensions largely the reflex of foreign and domestic causes which now no longer maintain. But it had grown to enormous dimensions and had contributed greatly to restrict the credit facilities of our country, and thus directly to increase unemployment and depreciate prices to our farmers.

I believe that the individual American has not realized the harm he has done when he hoards even a single dollar away from circulation. He has not realized that his dollar compels the bank to withdraw many times that amount of credit from the use of borrowers. These borrowers are the local merchants, the local manufacturers, the local farmers, and their borrowings are the money they use to buy goods, to pay wages and the cost of keeping their business going. One hoarded dollar deprives some wage earner of at least some part of his pay. Multiply this

simple example by nearly 1½ billion of idle money now hidden in the country, and you may get somewhere near a true picture of the enemy of our national security that we vaguely call "hoarding." It strangles our daily life, increases unemployment, and sorely afflicts our farmers. No one will deny that if the vast sums of money hoarded in the country today could be brought into active circulation there would be a great lift to the whole of our economic progress.

The Citizens Reconstruction Organization, which has been formed at my request under the leadership of Colonel Knox, is seeking the support of every voluntary organization and every individual in the country to bring out of hoarding these great sums of money which have been withdrawn from the active channels of trade during this past 10 months. They have summoned the leadership of thousands of public-spirited men and women.

Already we have evidences of the progress of these efforts and that the hoarding of money has stopped. The tide has turned and some of these idle dollars are finding their way back into the channels of trade. But we must continue until we have won all along the line. This movement affords an opportunity for all our people to participate, to do so within the traditions of our country which are traditions of individual effort, of courage, of energy, idealism, and public spirit.

Colonel Knox is this evening sounding a call to the mighty power of the American people, a call to service for the common good of our country, a call to protect the individual home by means of assuring the safety of the Nation as a whole. I gladly add my voice to this call to voluntary duty. I do it with more confidence because I have witnessed the most heartening exhibition of its patriotic power here in the National Capital. I am proud to bear witness to the capacity of the peoples' representatives in the presence of emergency, to their cooperation, to their loyalty, to their single-minded and effective action in this joint effort to restore economic stability and prosperity.

To join in this effort and to respond to this appeal becomes a measure of your faith in our country; it will be the touchstone of your loyalty and of your sense of individual responsibility for the welfare of the whole community; it is your opportunity to prove again that the private citizen

of the United States in the exercise of his own independent judgment and his own free will, coerced by no authority save his conscience and moved only by his own patriotic pride, can be counted upon to meet every emergency in the Nation's economy and to rout every foe of the Nation's security.

The word "depression" is an accurate but an obnoxious one. It is intensified by fear and apprehension, and by the loss of faith and courage. The true basis of wealth and the creator of prosperity are the industry and resourcefulness of the people when inspired by vision and sustained by faith. The summons tonight is a call to the faith of a people—not to faith in some rosy panacea or pretentious theory, but to their intelligent faith in themselves and in their individual resourcefulness and enterprise, and to the sense of responsibility of every man to his neighbor. The safest risk in the world is a share in the future of the American people. The American people have at this moment one of the greatest opportunities in their history to show an assured confidence and an active faith in their own destiny which is the destiny of the United States—and by that faith we shall win this battle.

NOTE: The President spoke at 10:05 p.m. from the Lincoln Study in the White House. The National Broadcasting Company and the Columbia Broadcasting System radio networks carried the address.

Following the President's address, Secretary of the Treasury Ogden L. Mills, Senator Joseph T. Robinson, and Charles G. Dawes, President of the Reconstruction Finance Corporation, made additional appeals to the Nation via a radio hookup at the Willard Hotel in Washington, D.C.

74

Message to President Paul Doumer of France
on the Death of Aristide Briand.
March 7, 1932

I DESIRE to express to you, Mr. President, my sincere and deep sympathy and that of the people of the United States on the death of that great son of France and friend of the United States, Aristide Briand.

His loyal and unflinching fight for peace, both in Europe and in this country, endeared him to the American people who mourn his loss with you.

HERBERT HOOVER

[His Excellency Paul Doumer, President of the French Republic, Paris, France]

NOTE: M. Briand had held 25 ministerial posts, serving as Premier of France 11 times, and as Minister of Foreign Affairs from July 1926 until January 1932.

75

Message to Justice Oliver Wendell Holmes
on His 91st Birthday.
March 8, 1932

[Released March 8, 1932. Dated March 5, 1932]

My dear Mr. Justice:

I wish to congratulate you most heartily upon your ninety-first birthday, and to wish you every blessing.

Yours faithfully,

HERBERT HOOVER

[Honorable Oliver Wendell Holmes, 1720 Eye Street, N.W., Washington, D.C.]

NOTE: The message was read at a dinner given by the Federal Bar Association in honor of the former Associate Justice of the Supreme Court of the United States. Justice Holmes was unable to attend but listened to the proceedings as they were broadcast over the National Broadcasting Company radio network.

The President's News Conference of
March 8, 1932

WHITE HOUSE CORRESPONDENTS' ASSOCIATION DINNER

THE PRESIDENT. I hear from all sides fine compliments on the entertainment which you gentlemen provided the other night—the most distinguished dinner that has been had in Washington of its character.¹

EFFORTS TO BALANCE THE BUDGET

The administrative officials of the Government are cooperating with the special Economy Committee in the House in a general drive to bring about very drastic economies in Federal expenditure. You will recollect that the budget sent to the Congress showed a reduction of expenditure during the next fiscal year as compared to this fiscal year by about \$365 million. The House Appropriations Committee has reduced the amounts of the bills so far reported out by about \$112 million. Of this, however, between \$60 million and \$70 million is a deferment until the deficiency bills in the next session. So that related to matters that are positive obligations of the Government and to that extent they won't help us so much with the actual expenditures in the fiscal year.

So that in order to meet the requirements of the Ways and Means Committee that the expenditures should be reduced by \$125 million in order to balance the budget, in the steps which they propose under the tax program, still further cuts will have to be made. There is very little room left for reductions on the administrative side as indicated by the fact that in dealing with something over 3½ billions of total expenditure, the House committee has not been able to find opportunities for reduction of more than \$112 million, of which, as I say, some 60 or 70 millions is deferments. So that further economies have to be brought about by changing the fundamental authorizations of Congress, either

¹The President referred to the association's 10th annual dinner, held in the Willard Hotel on March 5, 1932. The President was guest of honor.

by reorganization of the Federal machinery or a change in the legal requirements as to the conduct of the departments.

In that line the Administrator of Veterans' Affairs proposed to the special House Economy Committee changes in the law relating to allowances and pensions, et cetera, in their administration which would produce economies between 50 and 60 millions a year in the Veterans' Bureau. The Postmaster General has placed before the committee changes in the legal requirements of the Post Office which would bring about a very considerable amount. The Secretary of Agriculture has suggested certain changes in the laws in relation to the agricultural department's expenditures, and the heads of all the other departments are canvassing the Government from that point of view as to what changes in fundamental legal requirements could be made.

That, of course, is in addition to the proposals which I sent up for economies through reorganization of the Federal structure itself. So that I believe that the Committee on Economy through these avenues and the reorganization can find a large area for economy and will be able to find the amount necessary to balance the budget. And there is nothing more important than the balancing of the budget with the very least increase in taxes. The Federal Government should be in such a position that after the first of July we will not be required to issue any further Government securities in order to keep the Government going. That becomes of vital importance, of course, to business and to agriculture and employment because it gives assurance to the country that the Government will keep out of the money market and allow business and agriculture to use the available capital of the country. So that I cannot too much overemphasize the importance and the able nonpartisan effort being made by both the Economy Committee of the House and the Ways and Means Committee, whose work naturally complements each other.

RECONSTRUCTION FINANCE CORPORATION

I have a matter here of background—of information that I can give you, in answer to questions. I do not particularly care to make this sort of announcement from the White House, but I like to accommodate you with information where I can.

It is as to the character of the business that has been undertaken by the Reconstruction Finance Corporation. The loans so far undertaken to banks, trust companies, building and loan and other financial institutions, as provided in the act, amounts in round numbers to \$61,800,000. This includes 255 different institutions, the great majority of them being country banks. The loans made to railroads amount to \$47 million. A very considerable part of this \$47 million will be repaid at an early date by the Railway Credit Corporation as fast as its revenues come in. Advances have been made by the Reconstruction Finance Corporation pending the revenues which, under the Interstate Commerce Commission increase of rates, are payable into the Railway Credit Corporation, and they have not, as yet, cash to meet certain obligations and are being helped out by the Reconstruction Finance Corporation temporarily. The money placed at the disposal of agriculture through Secretary Hyde and the intermediate credit banks amounts to \$75 million. So that the Corporation has dealt with a total of about \$183 million of loans.

And that is all I have got today.

Q. Mr. President, have you the number of railroads that have been loaned to?

THE PRESIDENT. I haven't—probably can get it for you.

NOTE: President Hoover's two hundred and thirty-seventh news conference was held in the White House at 12 noon on Tuesday, March 8, 1932.

On the same day, the White House issued texts of the President's statements on efforts to balance the budget (see Item 77) and the Reconstruction Finance Corporation (see Item 78).

77

Statement on Efforts to Balance the Budget.

March 8, 1932

THE PRESIDENT said:

"The whole of the administrative officials are cooperating with the special Economy Committee appointed by the House of Representatives

in the drive to bring about further drastic economies in Federal expenditure.

"You will recollect that the budget sent to Congress represented reductions in expenditures for the next fiscal year of about \$365 million below the present fiscal year. The House Appropriations Committee has reduced the amounts of bills so far reported out by about \$112 million. Of this, however, between 60 and 70 million is a deferment until Congress meets next December when they will be compelled to meet positive obligations by deficiency bills. To this extent, therefore, the reductions do not help next year's expenditures.

"In order to meet the requirements of the Ways and Means Committee that expenditures must be reduced by \$125 million in order to balance the budget, it is necessary that further cuts be made. There is very little room left for reductions by administrative action and the House Appropriations Committee has passed upon the major supply bills except the Army and Navy. Further economies must be brought about by authorization of Congress, either by reorganization of the Federal machinery or change in the legal requirements as to expenditure by the various services.

"The Director of Veterans' Affairs has proposed to the special House Committee on Economy some changes in the laws relating to pensions and other allowances which would produce economies of between 50 and 60 millions per annum. The Postmaster General is placing before the committee changes in the legal requirements of Post Office expenditures. The Secretary of Agriculture has suggested changes in the law requiring expenditures in the Department of Agriculture, and the other departments are engaged in preparation of similar drastic recommendations.

"I believe the Committee on Economy, through administrative reorganization and such methods as I have mentioned, will be able to find a large area of economy.

"Nothing is more important than balancing the budget with the least increase in taxes. The Federal Government should be in such position that it will need issue no securities which increase the public debt after the beginning of the next fiscal year, July 1. That is vital to the still further promotion of employment and agriculture. It gives

positive assurance to business and industry that the Government will keep out of the money market and allow industry and agriculture to borrow the monies required for the conduct of business. I cannot over-emphasize the importance of the able nonpartisan effort being made by the Ways and Means Committee and the Economy Committee of the House whose work are complementary to each other."

78

Statement on the Reconstruction Finance Corporation.
March 8, 1932

I HAVE a question as to the character of business which has so far been undertaken by the Reconstruction Finance Corporation. The loans so far undertaken to banks, trust companies, building and loan and other financial institutions, as provided in the act, amount in round numbers to \$61,800,000. This includes 255 different institutions, most of them country banks. The loans made to railroads amount to \$47 million. A considerable part of this will be repaid by the Railway Credit Association as fast as its revenues come in. The money placed at the disposal of agriculture, through Secretary Hyde and the intermediate credit banks, amounts to \$75 million—a total of \$183,800,000.

NOTE: The White House issued the President's statement for background only (see Item 76).

79

White House Statement on Reorganization
of the Executive Branch.
March 9, 1932

CONGRESSMAN BYRNS seems to be under some misimpression. The President, in view of the 20 years of failure of every effort by Congress to eliminate overlapping and useless functions in the Federal Government for purposes of economy, asked, in a message on Feb-

ruary 17th, that authority should be given to him to execute definite projects of reorganization and economy subject to the opportunity to the Congress to express its views upon each action. He stated that such reorganization and reduction by the Executive should be undertaken gradually as the result of study and experience gained as the process proceeded.

The House recognized the importance of the matter, but felt that it should be again undertaken directly by the Congress instead of by the President. They set up the Economy Committee for this purpose. The President has been glad that this committee should undertake this great task. He at once instructed all officials of the Government to cooperate in full with the committee, freely submitting their individual views and every possible suggestion to the committee for its consideration, just as they would have been called upon by the President to do had his proposal been accepted by the House.

Some of these reports or suggestions by departmental heads have already been completed and laid before the committee. Others are in progress. Each administrative officer has his own personal views in these matters. The President has confidence that every avenue of saving will be laid before the committee and that the committee will exhaustively examine the advisability of any such suggestion. The President's desire is for action at this session of Congress, and he will give most sympathetic consideration to any legislation which is sent to him which brings about real economy and is consonant with the preservation of the efficiency and necessary functions of the Government. What the country wants and needs is real results.

NOTE: In a statement issued on March 8, 1932, Representative Joseph W. Byrns, chairman of the Select Committee on Economy, labeled the President's statement of that day as an effort to seize advance credit for any economies that Congress might bring about.

The President's News Conference of
March 11, 1932

HOARDING OF CURRENCY

THE PRESIDENT. I will give you this note mimeographed so you will not have to take it down. I am making this announcement in assistance to Colonel Knox.

The campaign of the Citizens Reconstruction Organization, under the chairmanship of Colonel Frank Knox, has now been extended to 2,395 communities. Additional communities are being organized every day under the leadership of eminent men and women, and the press has patriotically contributed literally millions of dollars in advertising and reading space, which has very materially aided the whole effort. The campaign has produced very positive and useful results. It is reflected in an increase in currency returned to circulation and increase in bank deposits and in the purchase of Government certificates from money that has been hitherto in hoarding. Our people are realizing the moral responsibility involved and the patriotic service which they may render. The whole effort is definitely contributing to the dissipation of fear and apprehension and to the general restoration of confidence.

The campaign is just beginning, and I hope that the committees that are already set up will continue until the last dollar that has been hoarded in their communities has been brought out, and that every community where hoarding has taken place will now be organized to extend the same work.

I think you all understand that the sole purpose of the campaign is restoration of employment and aid to agriculture. That is where it washes out at the finish.

Otherwise than that I have nothing today.

NOTE: President Hoover's two hundred and thirty-eighth news conference was held in the White House at 4 p.m. on Friday, March 11, 1932.

On the same day, the White House issued a text of the President's statement on the hoarding of currency (see Item 81).

81

Statement on the Hoarding of Currency.

March 11, 1932

THE PRESIDENT said:

"The campaign of the Citizens Reconstruction Organization under the chairmanship of Col. Frank Knox has now been extended by the organization of 2,395 communities. Additional communities are being organized each day under the leadership of eminent men and women. The press of the country has patriotically contributed literally millions of dollars in advertising and reading space, materially aiding the effort.

"The campaign has already produced positive and useful results, as reflected in the increase of currency returned to circulation, the increase of bank deposits, and the purchase of Government certificates from money which has hitherto been in hoarding. In fact hoarded money is being returned to circulation in all sections of the country. Our people are realizing the moral responsibility involved and the patriotic service which they may render. The whole effort is definitely contributing to the dissipation of fear and apprehension and to the restoration of confidence.

"The campaign is only beginning. I hope that the committees already set up will continue until the last dollar that has been hoarded in their respective communities is returned to work and that Colonel Knox and his organization will be supported by the extension of their work into every community not organized at present where hoarding has taken place.

"Their work has just one final objective—that is, the restoration of employment and aid to agriculture."

82

Message to the Chamber of Commerce
of Curwensville, Pennsylvania.
March 11, 1932

My dear Mr. Dale:

I have your encouraging letter of March 9th. As an indication of my feeling toward a community that shows the stamina which Curwensville has displayed, I have today given copies of it to the press.

Yours faithfully,

HERBERT HOOVER

[J. Thomas Dale, Secretary, Chamber of Commerce, Curwensville, Pennsylvania]

NOTE: The message was in response to a letter from the organization, dated March 9, 1932, which follows:

Dear Mr. President:

Here is something that we honestly believe warrants personal recognition from you in the form of an acknowledgment to this letter, signed by you personally.

Without giving you details, except attached hereto, our Curwensville National Bank closed its doors on November 28th. It was a civic disaster.

We rallied everybody in the community, and went to work on its re-opening, and received permission from the Comptroller to re-open March 1st, which was done.

This is the first bank in Pennsylvania and one of the very few East of the Mississippi to reopen during this period of hoarding, lack of confidence, etc.

We pulled out thousands of dollars of hoarded money and today instead of a town (3,000 in population), with coal mines, clay mines, brick yard, tanneries, hosiery mill and shirt factory, being "down" has met the situation, reorganized its citizens, put the bank on its feet and is today a new place in which to live and do business.

We do not want to feel that we are trespassing on your valuable time, but we would certainly appreciate a personal acknowledgment complimenting the town on what it has done—showed the way for others to follow.

We appreciate your willingness to do this.

Very truly yours,

J. THOMAS DALE, *Secretary*
Curwensville Chamber of Commerce

[Hon. Herbert Hoover, President, Washington, D.C.]

83

Letter to the Speaker of the House
Recommending an Immediate Appropriation
for River and Harbor Works.

*March 14, 1932**Sir:*

It appears that the regular War Department appropriation act for the fiscal year 1933 will be delayed beyond the usual time. The Budget estimate for the maintenance and improvement of existing river and harbor works for 1933 is \$60,000,000, which would become immediately available upon the passage of the act. I am now advised by the Secretary of War that, depending upon the usual course of appropriations, the engineers have entered upon certain contracts, the continuance of which have depended upon the passage of the appropriation at the usual time. As delay seems inevitable and unless some action be taken, a large number of men will be thrown out of work and other expenses incurred by suspension of work. I therefore recommend that the Congress give consideration to immediate appropriation of the funds for the maintenance and improvement of existing river and harbor works in order that we may avoid the unemployment and dislocation which will arise from such delays. Such a course would imply no increase in the contemplated expenditures.

I inclose herewith the recommendations of the Director of the Budget.

Respectfully,

HERBERT HOOVER

The White House,

Washington, D.C., March 14, 1932.

[The Speaker of the House of Representatives]

NOTE: The message and accompanying papers are printed as House Document 272 (72d Cong., 1st sess.).

84

Statement on the Death of George Eastman.

March 15, 1932

THE PRESIDENT said:

"I have learned with profound regret of the death of George Eastman. He revolutionized the art of photography, bringing the Kodak within the means of millions of people. By his own efforts he became one of the great industrial leaders of the world. He was one of the most generous and most constructive philanthropists of history. He gave strength to every movement for the public welfare of his generation."

NOTE: Mr. Eastman, chairman of the board of Eastman Kodak Co., died at his home in Rochester, N.Y., on March 14, 1932.

85

Message to the Hundred Year Club of New York.

March 15, 1932

I WILL BE OBLIGED if you will express my cordial greetings to those gathered this evening at the fourth annual dinner of the Hundred Year Club of New York. The nature of your organization of itself demonstrates that American business survives all ebbs and flows of economic tides, and moves forward by virtue of the indomitable courage and energy and individual initiative of Americans. Likewise the earned tribute you will pay to Mr. Harvey D. Gibson illustrates the power of local community effort, when inspired by a sense of personal and civic responsibility, to meet all demands for humane helpfulness in times of stress.

HERBERT HOOVER

[Charles C. Paulding, President, The Hundred Year Club of New York, 453 Fifth Avenue, New York City]

NOTE: The message was read at the club's annual dinner which was held at the Savoy-Plaza Hotel in New York City. The organization honored Mr. Gibson,

108

chairman of New York's Emergency Unemployment Relief Committee, with its gold medal for the individual contributing most to the city's civic and industrial development. The club consisted of New York commercial organizations a century or more old.

86

Message to the Bank of Abbeville
and Trust Company, Abbeville, Louisiana.

March 15, 1932

I AM GRATIFIED to learn of so fine an instance of cooperation on the part of the community and the Reconstruction Finance Corporation as the opening of the banks of your city and the restoration of their fundamental service to the whole people. I have no doubt that benefits will show at once in business, in employment, in agriculture, and in the prosperity of the people of the town generally. Your enterprise and courage is an admirable instance of restoring confidence.

HERBERT HOOVER

[L. O. Broussard, Chairman of the Board, Bank of Abbeville & Trust Company, Abbeville, Louisiana]

NOTE: The message was in response to a telegram from Mr. Broussard, dated March 15, 1932, which follows:

The President:

Tomorrow March sixteenth the Bank of Abbeville and Trust Company will open its doors after having acquired the business and assumed all of the deposits of the Bank of Abbeville and the Bank of Maurice both of which institutions were forced to close their doors about six weeks ago due to uneasiness of depositors resulting from failures in other banks in this territory. This speedy reopening has been made possible primarily through the splendid cooperation and prompt action of the directors of the Reconstruction Finance Corporation in Washington and the generous assistance of our bank commissioner. Their support had in turn inspired new confidence in our people at home and made possible the starting of the new institution. The only other bank in Abbeville is the First National Bank which closed the same day as ours also reopens tomorrow. Thus after having been without any banking facilities whatever for some weeks our community will have both banks restored and doing business again. We naturally feel grateful for this

cooperation which means much to our farmers and business people and we just wanted you to know of this concrete proof of the beneficial effect of the work being done by the R.F.C.

L. O. BROUSSARD,
Chairman of the Board,
Bank of Abbeville & Trust Co.

87

White House Statement About
Conferences on Railroad Reconstruction.
March 18, 1932

THE PRESIDENT has had conferences with the Directors of the Reconstruction Finance Corporation, the members of the Interstate Commerce Commission and the Department of Commerce, interested in reconstruction matters, together with the executive committee of the Railway Presidents' Association and the chairman of the Railway Credit Corporation upon coordination of reconstruction activities. The conferences are still continuing.

NOTE: At the President's request, W. W. Atterbury, president of the Pennsylvania Railroad, had extended an invitation to other members of the Advisory Committee of Railway Executives, who were meeting in Washington, D.C., to visit the President at the White House.

The chief question before the conference was the extent to which the Reconstruction Finance Corporation would extend loans for other than emergency purposes.

88

Statement on Railroad Reconstruction.
March 19, 1932

THE PRESIDENT said:

"I have held a number of conferences for survey of the railway situation and for determination of general policies in respect to the railroads. The elements in these conferences are the Directors and heads of staff of the Reconstruction Finance Corporation, members of the Interstate

Commerce Commission dealing with these problems, and representatives of the Railway Credit Corporation.

"Examination of the financial problem confronting the railroads shows that it is of smaller dimensions than has been generally believed or reported. It is estimated that the financial necessities of the important railways of the country which are likely to require aid in meeting the interest and renewal of their maturing securities, and in meeting their other obligations during 1932, will be from \$300 million to \$400 million. Of this amount the Railway Credit Corporation will provide a minimum of from \$50 million to \$60 million, and it is assumed that many bank loans will be continued in the normal way. Therefore, recourse to the Reconstruction Corporation by the railroads will be much less than was originally thought, and even the mentioned amounts would be diminished by revival of the bond market and the placing of bond renewals in normal fashion.

"The problem is to handle the situation as a whole so as to lay the foundations for restored employment on the railways and through their purchases of supplies, and at the same time to establish confidence in the security of the bonds which are the reliance of great trustee institutions of the United States which are in fact the property of the entire people. The end to be attained is, therefore, one of increased employment on one hand and stability in the financial structure of the country on the other.

"The coordination of programs and policies has been arrived at by the Government and the railway agencies to effect these results."

89

Statement in Tribute to Dr. Robert Koch.

March 21, 1932

FIFTY YEARS AGO, on March 24, 1882, Robert Koch, a German doctor, startled the medical circles of Europe by announcing he had discovered the germ that causes tuberculosis. The steps he took to prove his opinion, and the clarity with which he explained those steps, made his report not only a classic in medical literature but established a

technique in medical research that ever since has been a boon to civilization in its fight against disease.

Next Thursday the fiftieth anniversary of Robert Koch's discovery of the tubercle bacillus will be commemorated throughout the world. Unstinted honor will be paid to the memory of the famous man who almost single handed directed the feet of nations toward the path of victory in the relentless, though silent, war against the destructive forces of nature.

In the United States the benefits of Koch's discovery loom large in light of the fact that the death rate from tuberculosis is now but one fourth what it was in 1882, and the search for a specific cure, as yet undiscovered, goes steadily forward along the lines he mapped out.

Because of his priceless contributions to human welfare it is fitting that we, as a nation, do him honor, and that each community acknowledge its debt to Robert Koch by commemorating in an appropriate manner the occasion of the fiftieth anniversary of his discovery of the tubercle bacillus.

HERBERT HOOVER

90

White House Statement About Signing
a Bill To Limit the Use
of Injunctions in Labor Disputes.
March 23, 1932

THE PRESIDENT, in signing the bill limiting the use of injunction in labor disputes, made public the following letter he received from the Attorney General:

Sir:

Under date of March twenty-first you transmitted to me H.R. 5315, an act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity and for other purposes, with the request that I advise you whether there is any objection to its approval. This bill is the one commonly known as the anti-injunction bill.

Objections have been made to this measure because of the alleged unconstitutionality of some of its provisions, among which are those relating to contracts

between employers and employees by which the latter agree not to be members of labor organizations and which are commonly called yellow dog contracts.

One of the major purposes of the bill is to prevent the issuance of injunctions to restrain third parties from persuading employees to violate such contracts, the theory of the bill being that such contracts are exacted from employees not with the idea that they will be treated by the employees as binding obligations but as a basis for invoking the old common law rule against malicious interference with contracts by third persons, and in this way to enable employers to secure injunctions against peaceful persuasion directed at their employees.

There are various other aspects of the bill, the unconstitutionality of which has been debated. It seems to me futile to enter into a discussion of these questions. They are of such a controversial nature that they are not susceptible of final decision by the executive branch of the government, and no executive or administrative ruling for or against the validity of any provisions of this measure could be accepted as final. These questions are of such a nature that they can only be set at rest by judicial decision.

Many objections have been made to the supposed effect of various provisions of this bill. In a number of respects it is not as clear as it might be, and its interpretation may involve differences of opinion, but many of these objections are based on extreme interpretations which are not warranted by the text of the bill as it was readjusted in conference.

It is inconceivable that Congress could have intended to protect racketeering and extortion under the guise of labor organization activity, and the anti-trust division of this Department, having carefully considered the measure, has concluded that it does not prevent injunctions in such cases and that it does not prevent the maintenance by the United States of suits to enjoin unlawful conspiracies or combinations under the anti-trust laws to outlaw legitimate articles of interstate commerce. It does not purport to permit interference by violence with workmen who wish to maintain their employment, and, fairly construed, it does not protect such interference by threats of violence or that sort of intimidation which creates fear of violence.

With due regard for all the arguments for and against the measure, and considering its legislative history, I recommend that it receive your approval.

Respectfully yours,

WILLIAM D. MITCHELL,

Attorney General

[The President, The White House]

NOTE: The Attorney General's letter was dated March 23, 1932.

As enacted, the bill (H.R. 5315), approved March 23, 1932, is Public, No. 65 (47 Stat. 70). The legislation was popularly known as the Norris-La Guardia Act.

Message on the Launching of the SS *Santa Rosa*.
March 24, 1932

I AM GLAD to extend congratulations to the Federal Shipbuilding and Dry Dock Company, as builders, and to The Grace Line (Panama Mail Service), as owners, upon the launching of the SS *Santa Rosa*. The addition of this vessel and the three sister ships which will follow her into the carrying trade between the United States and Central and South America is an augury of closer communication and intercourse with our neighbors to the south. It also invites attention to the far-reaching benefits of the constructive legislation contained in the Merchant Marine Act of 1928. With the aid provided by mail contracts and construction loans, authorized by this act, orders have been placed for 45 new vessels of 500,000 gross tons and for the reconditioning of 19 vessels of 160,000 gross tons.

The resultant revival of shipbuilding industry has provided employment not only at seaboard shipyards but throughout the country where are produced and manufactured a large part of the materials and equipment entering into the finished vessels.

The constant volume of new construction has made possible a notable advance in the shipbuilding art. Shipowners, shipbuilders, marine architects and engineers find in the merchant shipbuilding program now being carried out, opportunity to attain the most effective combination of speed, fuel economy, carrying capacity, and superior accommodation for the comfort, convenience, and safety of passengers.

The efforts put forth in the rehabilitation of the American merchant marine have proved beneficial to the country at large. During the past 2 years, as compared with the prewar decade, the proportion of our foreign trade carried by ships under the American flag has substantially increased. It has notably grown in trades where no American flag services previously were provided.

At no time since the glorious American clipper ship era has the Nation displayed such a keen interest in its ship activities. The determi-

nation of the American people to possess a first-class merchant marine has resulted in the establishment of a network of regular and dependable ocean service to all the principal ports of the world where our flag is again a familiar sight—a symbol of friendship and good will in the development and expansion of international trade.

With the return of more normal trade conditions, American businessmen will find it possible to ship and to travel with unprecedented speed and frequency, under the American flag, to all the important markets of the world.

NOTE: Postmaster General Walter F. Brown read the message at the ship's launching in Kearny, N.J. At the conclusion of the ceremony the President, at his desk in the White House, pressed an electric button and sent the ship down the ways.

92

The President's News Conference of *March 25, 1932*

BALANCING THE BUDGET

THE PRESIDENT. I have received many hundred inquiries this morning from different parts of the country as to the prospects of balancing the budget and other information connected therewith.

I am confident that the undertaking of the representatives of both political parties to balance the budget remains and will be fulfilled. It is, in fact, the very keystone of recovery, and it must be done. Without it the several measures for restoration of public confidence and reconstruction that we have undertaken will be incomplete, and the depression will be prolonged indefinitely.

For a clear view of the situation our people should understand that the deficit for the next fiscal year, excluding further reduction of the national debt, is about \$1,250 million, and that this follows a deficit of \$500 million for last year, and \$2 billion for the current fiscal year, likewise excluding the debt redemption. Of course, as you know, those deficits are almost wholly due to decreased tax receipts.

So that we must eliminate the deficit for next year by the further reduction of governmental expenditures and by increases in taxes. The expenditures budgeted for the next fiscal year as sent to Congress amounted to about \$4,100 million after a reduction by the administration of \$365 million from the previous year. When we consider further economies, we have to take into account the fact that about \$2,100 million of the Federal expenditure cannot be reduced. It is largely the inheritance of the Great War, through increase of payment on Government obligations and the care of veterans and their families. In addition, our Army and Navy costs about \$700 million. We should not further reduce the strength of our defense. So that we must make our further economies mainly out of this balance of \$1,300 million remaining from the total of \$4,100 million, together with economies in the Post Office, as to which only the net operations are included in these figures. Out of this sum of \$1,300 million the many other vital services of the Government must be carried on. Every reduction that can be made without serious injury to these services and injustice to our people should be effected. Further economies can be made, and I am confident will be made, through authority of the Congress to eliminate unnecessary functions of the Government or in postponement of less essential activities, together with businesslike reorganization and coordination of Government activities. The appropriation and economy committees of the Congress are now earnestly engaged on all these problems. But when all this is done the balancing of the budget must, in the main, be accomplished by an increase in taxation, which will restore Government revenues.

Economies in expenditure or increase in taxes alike call for sacrifices—sacrifices which are a part of the country's war on depression. The Government no more than individual families can continue to expend more than it receives without inviting serious consequences. To continue to live on borrowed money only postpones the difficulty and in the meantime begets all manner of new evils and dangers, which create costs and losses to every workman, every farmer, and every businessman far in excess of the cost of courageous action in balancing the budget.

The American people are no less courageous and no less wise than

the people of other nations. All other great nations of the world have been faced with even greater necessity during the past year. In order to preserve their national credit those countries have increased their taxes far more severely than our deficit demands of the American people.

One of the first requirements to the accomplishment of the absolute necessity of a balanced budget is that the people and all their organizations should support and not obstruct the Members of Congress in sound efforts to both reduce expenditures and adjust taxation.

It must not be forgotten that the needs of the Government are inseparable from the welfare of the people. Those most vitally concerned in recovery are the ones whose margins of savings are the smallest. They are affected by the depression more seriously than any others; ultimately they will pay the biggest price for any failure on our part of the Government to take the necessary action at this time. We can overcome this national difficulty as we have overcome all our difficulties in the past by willingness to sacrifice and by the resolute unity of national action.

RECONSTRUCTION FINANCE CORPORATION

I have one other note here. I have the report of the Reconstruction Finance Corporation, which shows the distribution of their activities. I will give you this table. It shows loans made to 587 banks and trust companies, 18 building and loan associations, 13 insurance companies, 13 railroads, 2 joint stock land banks, 3 mortgage loan companies, 1 live-stock credit association, and the \$50 million allocated to the Secretary of Agriculture; all of which make up \$234 million. The banks and trust companies receiving total of \$126 million are located in 45 States. The great majority of them are in the smaller communities. Less than \$3,500,000 has been authorized in cities of over 1 million of population; more than \$116 million of this total has been authorized in towns of under half a million population.

I will give you those figures.

NOTE: President Hoover's two hundred and thirty-ninth news conference was held in the White House at 4 p.m. on Friday, March 25, 1932.

On the same day, the White House issued texts of the President's statements about balancing the budget (see Item 93) and the Reconstruction Finance Corporation (see Item 94).

Statement About Balancing the Budget.

March 25, 1932

THE PRESIDENT said:

"I have received many hundred inquiries from different parts of the country as to the prospects of balancing the budget and for other information connected therewith.

"I am confident that the undertaking of the representatives of both political parties to balance the budget remains and will be fulfilled. It is the very keystone of recovery. It must be done. Without it the several measures for restoration of public confidence and reconstruction which we have already undertaken will be incomplete and the depression prolonged indefinitely.

"For a clear view of the situation our people should understand that the deficit for the next fiscal year, excluding further reduction of the national debt during that year, is estimated at about \$1,250 million. This follows a deficit of \$500 million last year and a deficit of over \$2 billion this year, likewise calculated without reduction of the debt. These deficiencies are almost wholly due to decrease in tax receipts.

"We must eliminate this deficit for next year by the further reduction of governmental expenditures and by increases in taxation. The expenditures budgeted for the next fiscal year as sent to the Congress amounted to about \$4,100 million after a reduction by the administration of \$365 million under the total for the current year. In considering possible further economies in expenditures we must not forget that of this total about \$2,100 million is of such character that it cannot be reduced; it is largely an inheritance of the Great War through increase of payment on Government obligations and the care of veterans and their families. In addition, our Army and Navy costs about \$700 million. We should not further reduce the strength of our defense. Thus we must make our further economies mainly out of this balance of \$1,300 million remaining from the total of \$4,100 million, together with economies in the Post Office, as to which only the net operations are included in these

figures. Out of this sum of \$1,300 million the many other vital services of the Government must be carried on. Every reduction that can be made without serious injury to these services and injustice to our people should be effected. Further economies can be made, and I am confident will be made, through authority of the Congress to eliminate unnecessary functions of the Government or in postponement of less essential activities, together with businesslike reorganization and coordination of Government activities. The appropriation and economy committees of the Congress are now earnestly engaged on all these problems. But when all this is done the balancing of the budget must in the main be accomplished by an increase in taxation, which will restore Government revenues.

"Economies in expenditure or increase in taxes alike call for sacrifices—sacrifices which are a part of the country's war on depression. The Government, no more than individual families, can continue to expend more than it receives without inviting serious consequences. To continue to live on borrowed money only postpones the difficulty and in the meantime begets all manner of new evils and dangers, which creates costs and losses to every workman, every farmer and every businessman far in excess of the cost of courageous action in balancing the budget.

"The American people are no less courageous and no less wise than the people of other nations. All other great nations of the world have been faced with even greater necessity during the past year. In order to preserve their national credit these countries have increased their taxes far more severely than our deficit demands of the American people.

"One of the first requirements to the accomplishment of the absolute necessity of a balanced budget is that the people and all their organizations should support and not obstruct the Members of Congress in sound efforts to both reduce expenditures and adjust taxation.

"It must not be forgotten that the needs of the Government are inseparable from the welfare of the people. Those most vitally concerned in recovery are the ones whose margins of savings are the smallest. They are affected by the depression more seriously than any others; ultimately

they will pay the biggest price for any failure on our part of the Government to take the necessary action at this time. We can overcome this national difficulty as we have overcome all our difficulties in the past by willingness to sacrifice and by the resolute unity of national action."

94

Statement on the Reconstruction Finance Corporation.

March 25, 1932

THE PRESIDENT said:

"I have the report of the Reconstruction Finance Corporation which shows the following distribution of their activities:

	<i>Number of Institutions</i>	<i>Loans Authorized</i>	<i>Average per Institution</i>
Banks and trust companies.....	587	\$126,895,073	216,162
Building and loan associations.....	18	2,917,000	162,055
Insurance companies.....	13	5,765,000	443,461
Railroads	13	46,975,557	3,613,504
Joint stock land banks.....	2	775,000	287,500
Mortgage loan companies.....	3	1,362,000	454,000
Livestock credit associations.....	1	292,084	292,084
Secretary of Agriculture.....	...	50,000,000	.....
<hr/>			
Total .....	...	\$234,981,714	.....

"The banks and trust companies, receiving the loans totaling \$126 million, are located in 45 States. The great majority of these loans are to smaller communities. Less than \$3,500,000 has been authorized in cities of over 1 million population; more than \$116 million has been authorized in towns of under 600,000 population."

95

Message to President Alexander Zaimis of Greece
on the Anniversary of the Proclamation
of the Hellenic Republic.

March 25, 1932

I TAKE great pleasure in conveying to Your Excellency on this national holiday of the Hellenic Republic my sincere felicitations not only in my own name but on behalf of my fellow countrymen as well.

HERBERT HOOVER

[His Excellency Alexander Zaimis, President of the Hellenic Republic, Athens, Greece]

96

Statement on the "Get Out the Vote" Drive
of the United States Junior Chamber of Commerce.

March 26, 1932

THE PRESIDENT said:

"The United States Junior Chamber of Commerce has undertaken to further a plan very radically to increase the total vote at the national election of this year. The united strength of the chamber's 50,000 members, who are from 21 to 35 years old, is pledged to work for this project for the next 8 months. State organizations for this purpose have been established. The chamber has asked for an expression of my approval of the purpose of this project, not only as a timely tribute to the memory of George Washington, but even more as a practical and patriotic service to the country at present.

"I do warmly approve of this undertaking. Ours is a representative government, and it can function effectively only when the will of the people is clearly expressed at the polls. The right to vote is not merely the privilege of the citizen, but definitely imposes upon him the duty to

express his share in the common judgment at the polls. Every encouragement should be given to the United States Junior Chamber of Commerce to bring its project to success."

97

Message to King Fuad I of Egypt on His Birthday.
March 26, 1932

ON THIS ANNIVERSARY of Your Majesty's birth, I take pleasure in extending my sincere congratulations and my best wishes for Your Majesty's health and happiness.

HERBERT HOOVER

[His Majesty Fuad I, King of Egypt, Cairo]

98

Message in Tribute to Julius Rosenwald.
March 27, 1932

[Released March 27, 1932. Dated March 22, 1932]

AS ONE WHO was a friend of Julius Rosenwald I call to memory this morning that friendship and its inspiring associations of many years, and I join with you, his friends, in memorializing the full and goodly life that was his.

I recall how, guided by his keen intellect and great heart, he directed his wealth into those channels which inspiration and study convinced him were for the best service of his fellow men. I further recall that where there were no channels, he surveyed and dug them, recognizing no barrier of creed or race. I am thinking too at this moment of that great enterprise in human engineering in which the Joint Distribution Committee has now been engaged for more than a decade, and which was undertaken primarily because his vision and his benefaction made it possible to begin it, and constituted so important a part of its total support. Surely the good which he has done will serve as an inspiration for

humanitarian effort for generations to come, and will constitute an imperishable memorial to him—the only one he would have wished.

NOTE: The message was read during memorial services for Mr. Rosenwald at the annual meeting of the American Jewish Joint Distribution Committee. The meeting was held at the Hotel Pennsylvania in New York City.

99

Foreword to the Final Report of the White House
Conference on Home Building and Home Ownership.
March 28, 1932

THE RESEARCHES and discussions of the President's Conference on Home Building and Home Ownership disclose the following to be self-evident conclusions from the facts:

The next great lift in elevating the living conditions of the American family must come from a concerted and nationwide movement to provide new and better homes.

Every thrifty family has an inherent right to own a home. Architects, engineers, inventors and manufacturers have now made possible beautiful homes incomparably superior to old types in plan, convenience and healthfulness, at no increase in cost.

Engineering practice applied to the arrangement of household facilities has made it possible to eliminate most of the drudgery of housekeeping.

Beauty is a commercial asset to the home builder, because it is a spiritual necessity to the home owner.

Financing the home owner is the most backward phase of the situation, and calls for new methods of extending credit on the part of banks and investment institutions operating in this field.

Zoning and city planning save waste, reduce ultimate costs, and add attractiveness and other social values to stable investment values for home owners.

Slums have no excuse for being and should be eliminated by wise, concerted effort.

More industries should move to the country, where workers may have better home surroundings.

Large scale housing has proved well worth-while, when wisely planned, and should receive encouragement and support from business groups.

Home ownership must not be taxed out of existence.

Rural homes can be made as beautiful and convenient as city homes.

Old homes should be modernized for the sake of health and convenience.

Laws affecting city housing conditions and the ownership and protection of homes need study and revision.

Women's special interest in homemaking should be recognized in all planning of a national program, particularly in the design, decoration, and interior arrangement of the house, and in all matters affecting the health and welfare of the family.

Research and the dissemination of its new knowledge through organized channels should be encouraged.

The devoted work of the committees of the Conference and of the members who attended the meetings in Washington is a service which I gratefully acknowledge on behalf of the country, and which I commend to all civic leaders and citizens as an inspiration to further efforts in promoting the development and enrichment of the foundation of our National life, the American Home.

HERBERT HOOVER

NOTE: The President wrote the foreword for Volume I of the Conference's final reports. The first of 11 volumes, it was entitled "Planning for Residential Districts" and contained the reports of the committees on city planning, subdivision layout, housing utilities, and landscape planning.

100

Message to the Canton Exchange Bank, Canton, Mississippi.
March 28, 1932

IT IS EXTREMELY gratifying to learn that the Canton Exchange Bank, through the cooperation of the Reconstruction Finance Corporation and the State Banking Department of Mississippi, has reopened its doors, resuming a service covering a span of more than fifty years. Yours is a community which now realizes how dependent every individual in the town is upon the continuous functioning of our institutions and in restoring this service to them you are serving the community.

HERBERT HOOVER

[F. H. Parker, President, Canton Exchange Bank, Canton, Mississippi]

NOTE: The message was in response to a telegram from Mr. Parker, dated March 28, 1932, which follows:

On November twenty-fifth due to heavy withdrawals and our inability to liquidate our securities sufficiently fast our bank was forced to close its doors although entirely solvent. Through the cooperation of our state banking department and the splendid and prompt assistance rendered us by the Reconstruction Finance Corporation we were able to reopen our doors today ready once more to serve our community in which we have been established for fifty-two years. We naturally feel very grateful to the board in Washington and want you to know that the remedial legislation which Congress enacted is producing some genuine good.

F. H. PARKER, *President,*

Canton Exchange Bank

[The President, The White House]

101

The President's News Conference of
March 29, 1932

VETERANS' BONUS LEGISLATION

THE PRESIDENT. Informal polls of the House of Representatives have created an apprehension in the country that a further bonus bill of 2 billions or thereabouts for World War veterans may be passed.

I wish to state again that I am absolutely opposed to any such legislation. I made this position clear at the meeting of the American Legion in Detroit on September 21, and the Legion has consistently supported that position. I do not believe that any such legislation can become law. Such an action would undo every effort being made to reduce Government expenditures and balance the budget. The first duty of every citizen in the United States is to build up and sustain the credit of the Federal Government. Such an action as this would irreparably undermine it.

And that is all.

NOTE: President Hoover's two hundred and fortieth news conference was held in the White House at 12 noon on Tuesday, March 29, 1932.

On the same day, the White House issued a text of the President's statement on the bonus legislation for World War veterans (see Item 102).

102

Statement on Bonus Legislation for World War Veterans.
March 29, 1932

THE PRESIDENT said:

"Informal polls of the House of Representatives have created apprehension in the country that a further bonus bill of \$2 billion or thereabouts for World War veterans will be passed.

"I wish to state again that I am absolutely opposed to any such legislation. I made this position clear at the meeting of the American Legion in Detroit last September 21, and the Legion has consistently supported that position. I do not believe any such legislation can become law.

"Such action would undo every effort that is being made to reduce Government expenditures and balance the budget. The first duty of every citizen of the United States is to build up and sustain the credit of the United States Government. Such an action would irretrievably undermine it."

NOTE: On January 14, 1932, Representative Wright Patman introduced H.R. 7726 which provided for full payment of the World War adjusted compensation certificates and authorized an issue of paper money to finance the operation.

126

103

Message to the Knights of Columbus.

March 29, 1932

[Released March 29, 1932. Dated March 18, 1932]

My dear Mr. Carmody:

I cordially congratulate you, and through you the entire membership of the Knights of Columbus, upon the celebration of the Golden Anniversary of the foundation of an organization which has to its credit so many helpful contributions to education, fraternal benevolence, and the relief of human distress.

Yours faithfully,

HERBERT HOOVER

[Mr. Martin H. Carmody, Supreme Knight, Knights of Columbus, New Haven, Connecticut]

104

Message to the Newark Star-Eagle,

Newark, New Jersey.

March 30, 1932

[Released March 30, 1932. Dated March 19, 1932]

My dear Mr. Block:

I have been advised that the Newark Star-Eagle, of which you are publisher, is celebrating this month the anniversary of its establishment one hundred years ago as the Daily Advertiser. The celebration of an event of this kind in the life of any city is worthy of special notice. This is particularly true, I believe, in the case of Newark, where the Star-Eagle has so long so notably served the interests of a rapidly growing cosmopolitan American community.

[105] Mar. 31 *Public Papers of the Presidents*

I wish to offer my felicitations to you and to express the hope that the Star-Eagle will long continue to parallel the city's growth with its contributions to the public welfare.

Yours faithfully,

HERBERT HOOVER

[Mr. Paul Block, President, The Newark Star-Eagle, Newark, New Jersey]

NOTE: The message was published in the newspaper's March 30, 1932, issue.

105

Remarks on the Presentation of the Collier Trophy
to the Packard Motor Car Company.

March 31, 1932

IT GIVES ME great pleasure on behalf of the National Aeronautical Association to present to you, as the representative of the Packard Motor Car Company, the Collier Trophy for the development of the Packard Diesel aircraft engine. As you know, I am naturally greatly interested in every important mechanical development. The adaptation of the Diesel principle to aircraft engines is a contribution not only to economy but to safety in aviation. It is a notable mechanical achievement and one which is worthy of the fine air work to which the Packard Company has contributed so much in the past. This trophy is the highest award in American aeronautics, and I congratulate you upon it.

NOTE: The President presented the trophy to Alvan Macauley, president of the Packard Motor Car Company, in ceremonies held in the White House at 12:45 p.m. The National Aeronautic Association awarded the trophy annually for the greatest achievement in American aviation.

106

The President's News Conference of
April 1, 1932

NEW CAR SALES

THE PRESIDENT. The motor manufacturing companies have, all of them, now launched their spring models. There is nothing that contributes to employment so much as automobile construction. Everyone who contemplates buying an automobile during this year can make a contribution to employment if he will place his order now, no matter when he takes delivery.

UNITED STATES SHIPPING BOARD

I have had a great many communications from all over the country as to filling the vacancy of Mr. [Edward C.] Plummer on the Shipping Board. I do not propose to fill that vacancy, at least for the present. I am in hopes that Congress will pass the necessary legislation to reorganize the whole of the merchant marine activities in order that we may make a drastic reduction in expenditures during this session. If so, the situation as to membership on the Board would be very considerably altered.

I have pointed out in various messages and elsewhere for the last 3 years the importance of the reorganization of the whole of the merchant marine activities if we are to have real sound and necessary economy in those relationships to the Government. We are spending now a little over \$100 million a year in aids to merchant marine in one direction or another, spread through many departments and in many agencies. We cannot remedy the situation without legislation.

The Shipping Board, in its present form at least, should be abolished. Its administrative functions should all be transferred to the other agencies of the Government. This is not a criticism of the Board, but it is a criticism of an altogether impossible and expensive form of organization and divided responsibility. The Board was designed originally for regulatory purposes. It was made entirely independent of the Executive. It has been subsequently given enormous administrative and finan-

cial functions. The President has no authority and had no authority over its activities. The regional basis of selection of membership, and its bipartisan basis, together with the extreme difficulty of any control function in purely administrative and executive matters, has built up a lack of cohesion in the Board that seems irremediable.

Moreover, the present authority in certain matters is divided with the Postmaster General. Under the law we are giving shipping subsidies through mail contracts. The Postmaster General necessarily looks at them as a matter of mail, and the Shipping Board as a matter of trade routes and methods for disposing of ships, and there can be no adequate coordination or direction of expenditures with all that division of control, even if there were no other multitude of merchant marine functions in the Government, scattered through other departments.

There is a function in connection with shipping that needs to be perpetuated, and that is the function of the regulation of rates, which ought to be extended in fact to inland water rates and intercoastal rates. That can be carried out with a comparatively [small] sum [per annum] and with a small organization, no doubt composed of the present members of the Board who have had large experience. With many of the merchant marine activities scattered throughout the Government, it is impossible to produce the necessary economies that the times demand unless we can have a drastic reorganization of the whole basis on which we give aid to the merchant marine. And that does not mean that we should give less aid, but more economy and to the point that produces real national service.

Other than that there is nothing today.

NOTE: President Hoover's two hundred and forty-first news conference was held in the White House at 4 p.m. on Friday, April 1, 1932.

On the same day, the White House issued texts of the President's statements on new car sales (see Item 107) and the United States Shipping Board (see Item 108).

107

Statement on New Car Sales.
April 1, 1932

THE PRESIDENT said:

"The motor manufacturing companies have all launched their spring models. There is nothing that provides widespread employment more than automobile construction. Every person contemplating buying a new car this year can make a real contribution to employment by putting in his order now even though he does not take immediate delivery."

108

Statement on the United States Shipping Board.
April 1, 1932

THE PRESIDENT said:

"I do not propose to fill the vacancy on the Shipping Board, created by the death of Mr. Plummer, for the present. I am in hopes that Congress will pass the legislation necessary to reorganize the whole of our merchant marine activities in order that we may make drastic reduction of expenditures in this session. If so, the situation as to membership of the Board might be greatly altered.

"I have pointed out in messages and elsewhere on several occasions the importance of this matter in production of sound economy. We have merchant marine activities in many different departments and independent establishments. We now expend in aid and loans to the merchant marine services, directly and indirectly, about \$100 million per annum. We cannot remedy the situation without legislation.

"The present Shipping Board should be abolished. Its administrative functions should be transferred to the departments. This is not a criticism of the Board but a criticism of an impossible and expensive form of organization and divided responsibility. The Board was designed originally for regulatory purposes, and was set up by Congress independent of the Executive. It has been subsequently given enormous adminis-

trative and financial functions. The President has no authority or control over its activities. With regional and bipartisan bases of selection, together with independence from all control except the indirect pressures of Congress, it has had extreme difficulty in functioning cohesively, and in any event no board or commission can successfully function in executive work.

“Moreover, the Board’s authority in certain matters is divided with the Postmaster General. We are under the law giving ship subsidies as mail contracts. The Postmaster General necessarily looks at them as a matter of mail, the Shipping Board as a matter of trade routes and a matter of selling ships with a mail subsidy attachment. There can be no adequate check or coordinated direction of expenditure or commitments.

“There is a function in regulation of shipping rates which should be extended to intercoastal rates and to inland water rates, which is a much needed function for the development of shipping, and which could be administered at a comparatively small sum per annum by a new organism comprised of the present members of the Shipping Board, for their experience is most valuable.

“As I have said, there are many other merchant marine activities in the Government, and if we are to secure real economies we must have drastic consolidation and more definite responsibility.”

NOTE: Edward C. Plummer served as Vice Chairman of the United States Shipping Board from 1923 until his death on March 20, 1932.

109

Special Message to the Congress
Proposing a National Economy Program.
April 4, 1932

To the Senate and House of Representatives:

I have in various messages to the Congress over the past three years referred to the necessity of organized effort to effect far-reaching reduction of governmental expenditures.

132

To balance the budget for the year beginning July 1st next, the Revenue Bill passed by the House of Representatives on April 1st necessitates that there shall be a further reduction of expenditures for the next year of about \$200,000,000 in addition to the reduction of \$369,000,000 in expenditures already made in the budget recommendations which I transmitted to the Congress on December 9th.

It is essential in the interest of the taxpayer and the country that it should be done. It is my belief that still more drastic economy than this additional \$200,000,000 can be accomplished. Such a sum can only be obtained, however, by a definite national legislative program of economy which will authorize the consolidation of governmental bureaus and independent establishments; and beyond this, which will permit the removal of long established methods which lead to waste; the elimination of the less necessary functions, and the suspension of activities and commitments of the government not essential to the public interest in these times.

These objects cannot be accomplished without far-reaching amendment to the laws. The Executive is bound to recommend appropriations adequate to provide for the functions and activities of the government as now established by law. This is mandatory, and the opportunity for administrative savings is limited. The Appropriations Committees are likewise bound and can only act within restricted limits. Therefore, to lessen the burden upon the taxpayers in a substantial amount it is necessary to enter upon other fields by amending existing laws which place unnecessary obligations on the departments and independent establishments. We need repeal of existing laws which require carrying on of functions not absolutely essential for the present. This means that we should undertake a definite, separate and coordinated program of economy legislation which will enable the Executive and the Appropriations Committees to achieve the results desired.

A clear indication that the limit of executive authority to bring about economies has about been reached, is shown by the fact that the total expenditures estimated in the budget of \$4,112,000,000 (including Post Office deficit after deduction of receipts) presented to the Congress, except for increased payments to veterans and expenditure on construc-

tion work in aid of employment, was the lowest in over five years. A further indication of the existing limitations is shown by the fact that of the whole Budget the appropriations bills passed by the House of Representatives, together with those recommended by the House Appropriations Committee and the permanent appropriations, already cover about 75 per cent of the budget, and do not yet include the Army and Navy. Yet the positive reductions, including the urgency deficiency bill, so far made by the House and by its committees, on information supplied to me by the Director of the Budget are less than \$35,000,000. It is true that the committee has reported reductions of a total of about \$113,000,000, but of this about \$78,000,000 are effectively postponements until the next December session of the Congress, and must then be provided for in deficiency bills.

I say this in no wise in criticism of the action of the Congress or of its committees but as a demonstration of the fact that the latitude necessary for real reduction of expenses can only be secured by a thorough-going renovation of the law to bring about a real national economy program.

The Appropriations Committees of both the Senate and the House have given earnest consideration to these questions. Also a special Economy Committee and the Committee on Expenditures in the Executive Departments of the House, have been engaged upon these problems. Many suggestions of opportunities for further material reduction in governmental expenditure have been made to these committees by the executive officers of the government, but the major portion thereof require legislative action and authorization.

It appears to me that with four different agencies of the Congress at work on the problem, operating independently with the different departments, the time which has already elapsed and the short time available to us before the beginning of the new fiscal year, all point to the absolute necessity of better organized unity of effort in all the branches of the government primarily concerned with the problem.

Therefore, I recommend to the Congress that in order to secure this unity of effort and prompt action, and thus insure the relief of the taxpayer and a balanced budget, at the same time protecting vital

service of the government, that representatives be delegated by the two Houses, who, together with representatives of the Executive, should be authorized to frame for action by the present Congress a complete national program of economy and to recommend the legislation necessary to make it possible and effective. Such a course would expedite rather than delay the passage of appropriations bills.

I am convinced that only by such unified, non-partisan effort, and by a willingness on the part of all to share the difficulties and problems of this essential task can we attain the success so manifestly necessary in public interest.

HERBERT HOOVER

The White House,
April 4, 1932.

NOTE: The Congress did not establish the President's proposed joint committee.

110

Message to the Music Supervisors National Conference.
April 4, 1932

[Released April 4, 1932. Dated March 30, 1932]

My Dear Mr. Morgan:

I will be obliged if you will express my cordial greetings to the delegates at the silver anniversary meeting of the Music Supervisors National Conference and my sense of the great cultural importance of their work in the life of the people of the United States. The almost universal love of music and the frequent possession of musical talent among our children makes training in music not only valuable from an educational standpoint, but increases the capacity of all to appreciate music and thereby adds vastly to the sum of human happiness. The self-discipline required for musical practice, calling for painstaking care and complete accuracy, is as important to child development as other forms of educational training. It has also a social value flowing out of the cooperative work in orchestra, bands and choruses. A distinct

[111] Apr. 5 *Public Papers of the Presidents*

enrichment in American life will follow from added devotion on the part of our boys and girls to the beautiful art of music.

Yours faithfully,

HERBERT HOOVER

[Mr. Russell V. Morgan, President, Music Supervisors National Conference, Board of Education Bldg., Cleveland, Ohio]

NOTE: The message was read to an audience of 10,000 attending the conference in the Municipal Auditorium, Cleveland, Ohio.

111

The President's News Conference of
April 5, 1932

OPENING BASEBALL GAME

THE PRESIDENT. Somebody has inquired as to whether I will be going to the opening baseball game.¹ I hope to have that pleasure.

GENERAL DISARMAMENT CONFERENCE

Some 2 months ago I presented to our delegation to the Arms Conference at Geneva certain ideas which I believed would contribute to a solution of some of the problems before the Conference. They were practically incorporated in the general program by our delegation. These ideas have now been more fully discussed and developed during the visit of Mr. Norman Davis in consultation with the Secretary of State and our Army and Navy advisers, with a view of enlarging their scope and application.

With the months that passed, the economic burden and menace to world peace have, if anything, increased. The world needs the reduction of governmental expenditure and the spirit of peace that can come from some degree of successful issue of the Disarmament Conference at Geneva. I have, therefore, asked the Secretary of State to go to Geneva

¹ On April 11, 1932, President Hoover attended the American League's opening baseball game between Boston and Washington.

in order to explore with our delegates and those of other nations the possibility of taking some more definite and positive steps in that direction. It is the American desire to produce some concrete and definite results, even though they may not be revolutionary. That is the sole purpose of the Secretary's visit, and there will be no discussion or negotiations by the Secretary on debts.

NATIONAL ECONOMY PROGRAM

What I asked for in my message yesterday was organized, nonpartisan cooperation of all forces to reduce governmental expenses in a national emergency which insistently demands relief for the taxpayer.

There are three general directions in which expenses can be reduced.

First: The direct reduction of appropriations within the authority of existing laws creating and specifying various activities of the Government. A definite program to this end was placed before the Congress in the executive budget proposals, in which there was a reduction of \$369 million for the forthcoming year. I welcome and hope for further cuts by the Congress, provided that such reductions do not destroy essential functions and that they are genuine and do not merely represent postponed appropriations until deficiency bills next December.

Second: There are a large number of expenditures within the bureaus and departments which cannot be reduced without a change in the laws so that the Executive or the Appropriations Committees can reduce such expenditures. In this direction the department heads have appeared before many different committees in Congress in the last months, and have pointed out a multitude of directions which could be considered by these committees for a reduction of expenditures. But most of them require repeal or amendment of laws which compel the expenditures. Seven departments alone have pointed out over 85 such different directions for consideration of those committees, and which offer possibility of very large reductions. There are still other areas that can, no doubt, be developed.

Third: Those directions of economy which can only be accomplished by reorganization and consolidation of Government functions so as to eliminate overlap, useless bureaus and commissions, and waste.

Seven years ago, 5 years ago, as a member of a Cabinet committee on the subject, and again 3 years ago, 2 years ago, 5 months ago, 4 months ago, and 6 weeks ago, I recommended authorization to the executive to make a wholesale reorganization of Government functions so as to eliminate this overlap, abolish useless bureaus and commissions, and do away with waste, but such reorganization in each case to be subject to the approval of Congress. The action recommended has not been taken.

But a dominant consideration over all these things and all these items, methods, and programs is that they concern a great number of committees in Congress. They concern a great number of departments and bureaus. If we take the 11 principal spending branches of the Government, each of them working independently with some part of over 30 different committees in the Congress which are concerned in these ideas and proposals, then even if we had the very best will in the world, without an atom of partisanship, the mere diffusion of effort seemingly makes effective progress on these important questions impossible.

So, what I have asked for is not a commission but merely that the Senate and the House should each delegate representatives to sit down with representatives from the administration and endeavor to draft a comprehensive, general, national economy bill, covering the second and third areas of possible reduction of expenses. Thus one single economy bill, or a few bills, could be presented to the Congress embodying all the measures of economy proposed where change in the law is necessary. Without such action I see no way by which there can be the maximum reduction in expenditures.

That is all.

NOTE: President Hoover's two hundred and forty-second news conference was held in the White House at 12 noon on Tuesday, April 5, 1932.

On the same day, the White House issued texts of the President's statements on the General Disarmament Conference (see Item 112) and the national economy program (see Item 113) and a list of addresses and remarks made by the President on reorganization of the Government.

112

Statement on the General Disarmament Conference.

April 5, 1932

THE PRESIDENT said:

"Some 2 months ago I presented to our delegation to the Arms Conference at Geneva certain ideas which I believed would contribute to a solution of some of the problems before the Conference, and which were incorporated in the general program by our delegation to the Conference. These ideas have been more fully discussed and developed during the visit to Washington of Mr. Norman Davis and in consultation with the Secretary of State and our Army and naval advisers, with a view of enlarging their scope and application.

"With the months that pass, the economic burden and menace to world peace have, if anything, increased. The world needs the reduction of Government expenditure and the spirit of peace that can come from some degree of successful issue by the Disarmament Conference at Geneva. I have, therefore, asked the Secretary of State to go to Geneva, in order to explore with our delegates and those of other nations the possibility of taking more definite steps in that direction. It is the American desire to produce some concrete and definite results, even though they may not be revolutionary. The world needs, both economically and spiritually, the relief that can come from some degree of successful issue by the Disarmament Conference. This is the sole purpose of the Secretary's visit. There will be no discussion or negotiation by the Secretary on the debt question."

NOTE: Norman H. Davis was a delegate to the General Disarmament Conference in Geneva, Switzerland.

Statement on the National Economy Program.

April 5, 1932

THE PRESIDENT said:

“What I asked for in my message yesterday was organized, nonpartisan cooperation by all forces to reduce Government expenses in the national emergency which insistently demands relief for the taxpayer.

“There are three general directions in which expenses can be reduced:

First: The direct reduction of appropriations within the authority of existing laws creating and specifying various activities of the Government.

A definite program to this end was placed before Congress in the executive budget proposals, in which there was a reduction of \$369 million for the forthcoming year. I welcome and hope for further cuts by the Congress providing such reductions do not destroy essential functions, and that they are genuine and do not merely represent postponed appropriations until deficiency bills next December.

Second: There are a large number of expenditures within the bureaus and departments which cannot be reduced without a change in the laws so that the executive or the appropriations committees can reduce such expenditures.

In this direction the department heads have appeared before many different committees in Congress in the last months, and have pointed out a multitude of directions which could be considered by these committees for a reduction of expenditures, but most of them require repeal or amendment of the laws which compel expenditures. Seven departments alone have pointed out over 85 such different directions for consideration of those committees and which offer a possibility of very large reductions. There are still other areas which could, no doubt, be developed.

Third: Those directions of economy which can only be accomplished by reorganization and consolidation of Government functions so as to eliminate overlap, useless bureaus and commissions, and waste.

Seven years ago, 5 years ago, as a member of a Cabinet committee on the subject, and again 3 years ago, 2 years ago, 5 months ago, 4 months ago, 6 weeks ago, I recommended authorization to the executive to make a wholesale reorganization of Government functions so as to eliminate this overlap, abolish useless bureaus and commissions, and do away with waste, but such reorganization in each case to be subject to the approval of Congress. The action recommended has not been taken.

“A dominant consideration is that all these items, methods, and programs concern a great number of committees in the Congress. They concern a great number of departments and bureaus. If we take the 11 principal spending branches of the Government, each of them working independently with some part of over 30 different congressional committees which are concerned in these ideas and proposals, then even if we have the very best will in the world, without an atom of partisanship, the mere diffusion of effort seemingly makes effective progress on important items impossible.

“What I have asked for is not a commission but merely that the Senate and the House should each delegate representatives to sit down with representatives from the administration and endeavor to draft a comprehensive, general, national economy bill, covering the second and third areas of possible reduction in expenses. This one single economy bill or a few bills could be presented to the Congress embodying all the measures of economy proposed where change in the laws are necessary. Without such action, I see no way by which there can be a maximum reduction in expenditures.”

114

Letter to the Chairman of the House Select Committee on
Economy About the National Economy Program.

April 7, 1932

My dear Mr. Chairman:

I am in receipt of your letter of April 6th. I greatly welcome the response of your committee to my suggestion that the fiscal situation necessitates honest, courageous and non-partisan action in the development of a national economy program and the preparation of a definite comprehensive bill that will assure its accomplishment. With this purpose in mind I would be glad if your committee would meet with me at this office at 11 o'clock on Saturday morning, April 9th with a view to taking stock of the progress made by your committee in the development of a program of economy, and affording the Executive an opportunity to make suggestions. Through the interchange of ideas we can thus lay the foundation for the development of such national program.

It is my understanding that your suggestion carries with it the thought that in such development the representatives whom I may appoint from the Executive branches of the government will sit in and cooperate with your committee. I shall continue to urge that a similar committee be appointed by the Senate in order that we shall not need to traverse the whole subject again.

Yours faithfully,
HERBERT HOOVER

[Hon. John McDuffie, Chairman, Economy Committee, House of Representatives, Washington, D.C.]

NOTE: Representative Joseph W. Byrns, first chairman of the Select Committee on Economy, resigned on March 29, 1932.

Representative McDuffie's letter, dated April 6, 1932, follows:

Mr. President:

The Economy Committee of the House of Representatives recognizes, as you, too, must recognize, that the critical fiscal condition of the Country not only precludes partisan politics but demands political cooperation to the end that the present

crisis may be honestly and courageously met, and we take this occasion to inform you of our sincere desire to work in the fullest cooperation with you.

With this in mind we extend to you an invitation to participate in the task of the Economy Committee by sending to the Committee your specific recommendations, or by sending your representative to present to the Committee your views and conclusions as to specific economies which might be effected, so that the country may have the benefit of a cooperative effort.

Very truly yours,
JOHN McDUFFIE
Chairman

[The President, The White House, Washington, D.C.]

115

Message to Albert, King of the Belgians, on His Birthday.
April 8, 1932

THE AMERICAN PEOPLE join with me in extending sincere felicitations on this Your Majesty's birthday and in wishing for Your Majesty health and happiness for many years to come.

HERBERT HOOVER

[His Majesty Albert, King of the Belgians, Brussels, Belgium]

116

Message to the Congregation of the Park Avenue Synagogue.
April 8, 1932

[Released April 8, 1932. Dated March 11, 1932]

Dear Friends:

I cordially congratulate you upon the celebration of the Fiftieth Anniversary of your service in the spiritual life of your community and the

[117] Apr. 8 *Public Papers of the Presidents*

Nation, and I do pray that you may continue to bless and be blessed in the years to come.

Yours faithfully,
HERBERT HOOVER

[To the Rabbi and Congregation of Park Avenue Synagogue, 50 East 87th Street, New York City]

NOTE: The message was read at the golden jubilee services in the synagogue.

117

Message to the Calvert Associates.

April 8, 1932

[Released April 8, 1932. Dated April 6, 1932]

My dear Mr. Williams:

I will be obliged if you will express my cordial greetings to the Calvert Associates gathered on Friday evening for their annual celebration of the founding of Maryland, and of the adoption of the Act Concerning Religion by the Maryland Colonists. One of the proudest traditions of our history is the early date at which our Nation committed itself unreservedly and permanently to the principle of freedom of conscience, and the very early action of Maryland in this respect was one of the important influences leading to the adoption of this principle. The strong support of the foremost Revolutionary patriots, including Washington, Jefferson, Franklin and many others, was decisive in fixing this principle in our Constitution as the permanent and beneficent policy of our country.

Yours faithfully,
HERBERT HOOVER

[Mr. Michael Williams, President, The Calvert Associates, Grand Central Terminal, New York City]

NOTE: The message was read at a meeting held in the Waldorf-Astoria Hotel in New York City.

144

118

Message on the Celebration of Parents' Day.

April 8, 1932

[Released April 8, 1932. Dated April 5, 1932]

THE FINEST partnership in the world is the partnership of father, mother, and children, in the business of making one another happy.

[Uncle Robert, Uncle Robert Foundation, 18 East 15th Street, New York City]

NOTE: The message was issued in conjunction with publicity for the Parents' Day celebration on May 8, 1932, on the Central Park Mall in New York City.

Uncle Robert was a popular children's radio entertainer and sponsor of a number of civic and charitable activities.

119

White House Statement on the National Economy Program.

April 9, 1932

AS A RESULT of mutual exchange of views by the administration and the Economy Committee, the following was tentatively agreed upon as a national economy program.

The total of the savings so far arrived at would amount to somewhere from \$160 million to \$210 million. This does not include the savings to be made from consolidations (Group II) nor from reductions in appropriations (Group III).

The conferences will continue.

Reductions in expenses require action in three directions:

Class 1. The amendment or repeal of existing laws which would prevent the realization of savings.

Class 2. Legislation for the reorganization and consolidation of Government functions so as to eliminate overlap, unnecessary bureaus and commissions, and waste.

Class 3. Reduction of appropriations which are within the authority of the existing laws creating and specifying various activities of the Govern-

ment. This class being under consideration by the Appropriations Committee of Congress, was not dealt with in the conference.

GROUP I

The savings which can be effected only by the amendment or repeal of existing laws or by the granting of additional authority in certain cases.

1. Authorize for 1 year the head of any department or independent establishment, with the approval of the Director of the Budget, to transfer some percentage, to be determined, of any specific appropriation to any other specific appropriation within the department or the independent establishment. Such a procedure will add economy and avoid so far as may be possible the necessity for supplemental or deficiency estimates in the next session of Congress. This will not entirely eliminate supplemental and deficiency estimates but unless such provision is made the inflexibility of reduced appropriations and the emergencies which are certain to arise might result in great public damage and would certainly necessitate more supplemental and deficiency estimates than will be needed if this provision is adopted.

Reduction of expenditure is indirect.

2. Retire superannuated employees.

Estimated saving..... \$3, 000, 000

3. Suspend for 1 year the operation of all provisions providing for extra pay for overtime and night service and all automatic promotions provided by law to civilian employees.

Estimated saving..... \$10, 750, 000

4. The Congress to take appropriate steps to reduce the congressional, Cabinet, and the President's salary.

Inestimated

5. Instruct the Secretary of the Navy to appoint a board of naval officers to report upon the closing of all land naval stations which in their view are not essential to the national defense. The decision of this board to be final and the stations to be closed upon their recommendations.

Saving indeterminate but probably..... \$3,000,000

6. Require the transfer of the cost of supporting the Philippine Scouts to the Philippine Government.

Estimated saving..... \$5,000,000

7. Suspend for 1 year all payments to the States under the Federal Board for Vocational Education except those for industrial rehabilitation.

Estimated saving..... \$8,500,000

8. Suspend for 1 year the operation of all shipping lines operated by the Shipping Board.

Estimated saving..... \$7,500,000

9. Amendments to veterans legislation as pointed out by General Hines.¹ The various projects were undetermined but range in savings from \$39 million to \$80 million per annum.

10. Limitation of pay of emergency officers and of retired Army and Navy officers employed by the Government...

11. Prohibition against filling civilian vacancies except key positions.....

12. Reduction of printing and paper.....

13. Establish fees for service in certain bureaus with view of making them more self-supporting.....

14. Discontinue appropriation for Northwest Triangle heating plant..... \$750,000

15. Authorize transfer of fish hatcheries to such States as will accept and operate them.....

16. Abolish Army and Navy and Panama transports...

17. Other subjects were referred to later consideration.

¹ Frank T. Hines, Administrator of Veterans' Affairs.

18. In considering the savings to be made in the Federal establishment, the administration group proposed:

a. For 1 year the introduction of a 5-day week be authorized for per diem employees and authority for staggering the employment of annual employees by means of furloughs without pay. The reduction of appropriations by the Congress will result in the discharge of many employees unless some provision is made to prevent this contingency. This would permit the retention of trained and qualified employees and provide a somewhat reduced income to some of the Federal staff in lieu of discharging those who cannot be retained on full time. The application of this principle into other services will produce effective economies.

Estimated saving..... \$45,000,000

b. Amendments to the law pointed out by the Postmaster General to suspend for 1 year allowances to mail carriers for maintenance of vehicles and other possible items.

Estimated saving..... \$17,500,000

c. Authorize the suspension for 1 year of all rights to annual leave with pay and to sick leave with pay to any civilian employee of the Federal Government in excess of 2 calendar weeks each for annual leave and sick leave, but providing that unused sick leave may accumulate to the credit of the employee in the succeeding year.

Estimated saving..... \$35,000,000

3. The Economy Committee's proposal in lieu of the above was:

a. Instead of paragraph 2 was a pay cut for 1 year arrived at by the formula of exempting \$1,000 before a cut of 11 percent.

Estimated saving..... \$67,000,000

b. Do away with Saturday half holiday.

Estimated saving \$10, 000, 000

NOTE: The White House issued the statement following a meeting between the President, Secretary of the Treasury Ogden L. Mills, Postmaster General Walter F. Brown, Secretary of the Interior Ray Lyman Wilbur, and members of the House Select Committee on Economy.

120

Address to the Gridiron Club.

April 9, 1932

Gentlemen of the Gridiron Club and guests:

I am sure that my fellow guests would wish me to express their appreciation for your hospitality. You have given us one of those evenings which will linger in our memories. We are grateful.

It is perhaps my duty to sum up the results of this 4 hours' conference. One conclusion I reach is that humorists are obviously getting scarcer and scarcer. This conviction is perhaps induced by a full day's effort on my part to reduce Government expenses. This slump in humor may be part of the general slump, or due to the World War or bank failures, or the threatened reduction in Federal salaries, or the Congress, but whatever it is, I acknowledge at once that I am again to blame. But in the broader field than this meeting there is certainly a worldwide depression in good-natured wit, in happy facetiousness, in stimulating whimsicalities, and especially in downright kindly jokes. Vice President [Thomas R.] Marshall at a critical moment made the wise suggestion that what the world needed was a good 5-cent cigar.

I have little need to dilate upon the transcendent need of a few stimulating nationwide jokes in this crisis. It would lift the soul of man to a point where hoarders would bring back their money and perhaps bankers would even make a few loans to their old townsmen.

Obviously there is no shortage in the national supply of that stabbing satire, searing irony, crushing ridicule, or sardonic hyperbole which brings a momentary snicker at the discomfort of somebody. But that sort

of laughter does not raise the spirit of man to the place he points with pride and then in sheer joyousness goes out and gives someone a job. What we want in the morning news is that, after reading lugubrious Washington dispatches on page 1, our people may find on page 3, column 6, a bubbling whimsicality that makes them feel good, sends them at the job with a resolve to bear up under adversity instead of a determination to beat up his neighbor.

I have given a great deal of consideration to the subject. I have thought of asking the Senate to investigate the bear raids on the national spirit of mirth. Such an investigation might perhaps infect the country with a dour note of sadness and certainly an atmosphere of despair. I have also examined the possibility of securing action by establishing, say, a citizens organization to make one or two jokes in a tentative way. But as I survey the civic groups who might be assembled to undertake the work of such organization I do not find much hope of creative work in constructive joy. It is only necessary to canvass the possible contributions from different national associations.

For instance, among the bankers any joke they would coin must contain a line on liquidity, and while it might raise a twitter I fear the Nation would find more pain than jubilation in contemplating the subject.

If we examine the possibilities of response from organized agriculture we would find their effort at whimsicality must embrace the humorous idea of still more overproduction combined with higher prices. That sanguine notion has indeed ceased to bring among the farmers themselves that radiant humor we are searching for.

I am sure if we asked for cooperation of the stockbrokers they would seek to disillusion the popular mind of its distaste for short selling by some merry quip as to the contribution of short sales to higher prices for stocks. The drollery of it would be lost in painful retrospection.

The mutual banter of either the Anti-Saloon League or the Association Against the Eighteenth Amendment lacks that whimsical effervescence and the sprightliness which heartens and expands the spirit of man. Nor does the Navy League nor the Society to Prevent War give us much hope. The jokes of big Navy people would become a sour jest when we

recollect the taxes; the optimistic humor of the peace societies would ill fit the scareheads of the foreign dispatches which you would find on page 1, column 1.

I could not turn for help to the so-called intellectuals with their unbroken record of total abstinence from constructive joy over our whole national history. We would certainly find their high contribution of national waggishness to contain still another great reform which would arouse no exultant cheers just now.

And so it goes as we traverse every group. I hesitate to bring this note of dejection and gloom into a meeting conceived in itself as a mass production factory of national jokes. I do so only because of the sense of the importance of the invention that is needed.

But, after all, when I think of this 120 million people and their many inventions, I know they will find their own happy jokes, though all the forces of organized politics, organized business, and the organized press continue to fail them.

When you recollect the tragic days of the Great War, it was not the Gridiron Club, nor the Congress, nor the administration, nor the General Staff who formed flashes of kindly humor which stirred the courage and caused men to grin amid the sufferings of the moment. It was the men in the trenches themselves who fired the star shells of helpful jokes across the night of human despair.

You have referred tonight to the cooperation of the political parties in this national crisis. The incidents of its progress may give birth to satire, to ridicule, and irony. But there has been more in it than that.

A great program has been carried by cooperation. The program is not yet finished. We have yet to complete that meeting of increased taxes and decreased expenses upon which depends economic and social stability, both of the United States and of the world. Neither taxes nor economy come of their own will. In easy times the clamor of groups have overcome the vetoes of Presidents; the States have combined to raid the Federal Treasury for subsidies; methods and practices have grown up in the Government organization over 100 years which have become vested habits and vested interests. Every dollar of increased taxes and

decreased expenses touches a sensitive spot somewhere—to some group—to somebody.

Every man in Congress knows that he will be tracked with demagoguery, yet the fine courage and character, the patriotism of the great majority, irrespective of party, steadily move the cumbersome machinery of democracy with high vision of national need.

Our people are at times discouraged by the apparent partisanship in time of national crisis. But we must again need remember that ours is a government builded upon political parties. Its vital stability depends upon organized expression of the will of the people through party organization. Other democracies in the despair of these 3 years have sought to build coalition government, but if you search their results you will find that they have weakened the national vitality by vacillation, or the impotence of positive action from internal friction, or have degenerated to dictatorships. Worse still, if there be no alternative party in time of great strain there may be no answer except violent revolution. Political parties having been elected to majorities whether in the executive or in the Houses of Congress have a positive responsibility to leadership and to patriotic action which overrides partisanship. Constructive opposition is essential to the spirit of democracy itself. The anvil of debate can alone shape the tools of government.

Some of you will recollect that at this dinner prior to the opening of Congress I stated that I was confident of the cooperation of the political parties in national emergency because I knew the high patriotism of the men of both parties.

Six months has elapsed of even more trying times in the Nation and the world than any man could have anticipated. That confidence has been broken by occasional diversion into politics and a morass of demagoguery which at times swept one House. But in the long run when we shall look at this period in retrospect it will shine in our history as again proof of that great thing which democracy has need to prove and prove again. That is that in time of national emergency the majority of our citizens and public men and of our political leaders will unite their intelligence and their patriotism swiftly enough to save the Nation from the precipice. That program which we initiated at

the opening of the session has marched with steady and patriotic progress. We have interruptions due to the anvil of debate, invasions of the demagogue, and at times a lack of a sense of humor, but it marches along.

A year ago I stated that if by the grace of God we have passed the worst of this storm the future will be easy; that if we shall be called upon to endure more, the Nation must gird itself to even greater effort. The year passed has required that effort to the full. Its courage and resolution is today under Divine Providence undiminished, and it is girded for still greater effort.

NOTE: The President spoke at a dinner meeting held in the Willard Hotel in Washington, D.C.

The Gridiron Club, an organization of Washington newsmen, met semiannually for a dinner and satirical review of current political events. Remarks at the dinners were off-the-record, but President Hoover's were later published.

121

Remarks to the American National Red Cross.
April 11, 1932

DURING THE PAST year the Red Cross has carried a great load in the national burden. It is serving at the same time to give relief from drought, from flood, from storm, from unemployment. It daily demonstrates that fine sense of service and devotion which expresses the heart of the American people. You have discharged your trust. In the name of the American people I wish to convey to every individual member, to every chapter, to your central staff, and to your devoted Chairman, the appreciation and the gratitude of the whole Nation. May the Great Providence add to your strength, your courage, and your steadfastness during the next year.

NOTE: The President spoke at 10:30 a.m. to the opening meeting of the annual convention in Washington, D.C.

122

Message on the Relocation of the Patent Office.
April 11, 1932

[Released April 11, 1932. Dated April 8, 1932]

My dear Mr. Secretary:

I wish to extend, through you, my greetings to those who are meeting next Monday in celebration of the moving of the Patent Office from its old quarters into the new Commerce Building. It is particularly fitting that this move from the former inadequate quarters to a building provided with every facility to meet the modern conditions of the patent world should take place during the bicentennial celebration of the anniversary of the birth of George Washington, our first President, who, at the first session of the Congress urged the enactment of a statute granting patents for inventions. It is also fitting that the celebration should take place on the 142nd anniversary of the signing by President Washington of the first patent statute. Our patent system has been so beneficial in carrying out the Constitutional purpose of promoting "the progress of science and the useful arts," that another great President, Abraham Lincoln, classed the discovery of America, the invention of printing, and the establishment of the patent system as three incidents in the history of the human race that were of preeminent consequences.

I wish you to extend to the inventors, engineers, manufacturers, patent lawyers, and other friends of the patent system, my felicitations in their celebration of the moving of the Patent Office into the new building.

Yours faithfully,
HERBERT HOOVER

[Honorable Robert P. Lamont, Secretary of Commerce, Washington, D.C.]

NOTE: The message was read at the formal opening of the new Patent Office quarters in the Department of Commerce Building.

A national committee composed of representatives from manufacturing and scientific groups sponsored the opening ceremonies.

123

The President's News Conference of
April 12, 1932

MEETINGS WITH THE HOUSE SELECT COMMITTEE ON ECONOMY

THE PRESIDENT. The joint conferences of the administration officials and the Economy Committee of the House on Saturday resulted in very encouraging progress. Any program of legislation of such fundamental changes in laws for the reduction of Government activities and expenditures involves a very large amount of detailed research and detailed consideration, all of which is very greatly expedited by direct conference. And I have felt that we would make the most distinct progress by continuing these conferences, and, therefore, I have asked the Economy Committee to meet with us here again tomorrow.

The businesslike and effective way to handle the whole question of reduction of Government expenditures where it requires legislative action, as distinguished from that of the Appropriations Committee, is to work out a very definite national economy bill that can be presented to the Congress and to the country as a completed whole. Obviously, it requires a good deal of effort, but I do not believe it requires a great deal of time.

The development of a program of that character requires very close cooperation between the executive and the legislative side, and it can be accomplished much more expeditiously by exchanging verbal views than it can by long series of reports and examinations into things that prove blind alleys. And so, it is most desirable that a program of that kind should be developed in a conference of that character on an entirely nonpartisan basis, in which all of us take our share of the responsibility.

Q. What time will it be, Mr. President? In the morning?

THE PRESIDENT. I haven't set the hour as yet—it is more a question of convenience of the committee.

EXECUTIVE BRANCH ECONOMIC CONFERENCES

There are some matters I would like to talk to you about for background, in answer to a number of questions I have had. I have had a number of questions as to whether we are going to hold a series of economic conferences of some kind. I might say that economic conferences are in progress in the Government every day of the week and every hour of the day, and they will continue to the end of this depression. We may, however, say, that the Federal Government—the Treasury, Commerce, and Agriculture, the Reconstruction Board, the Federal Reserve Board, are in touch with every part of the country and every group in the country every moment of the day. And all of these groups are acting in thorough coordination and cooperation. It is not necessary to set up a dramatic conference in order to have these same gentlemen come in and dramatize things when they are in communication with each other every minute and with this office on the telephone.

CONGRESSIONAL COOPERATION

The Reserve Board is holding very important meetings the first part of this week with representatives of the Reserve banks. There has been more or less or a shiver of alarm over the country as a result of legislative changes in the last 3 weeks, but one of those alarms is pretty definitely cured by the declaration yesterday of the Democratic leaders lining up with the Republican leaders on the matter of the bonus. It means cooperative and definite action on both sides. So that certainly that piece of legislation which has given a great deal of alarm is no longer a menace to the situation in the country. And there is further evidence of real cooperation on the part of leaders in committees and out of committees over the tax bill to plane out its rough spots and to get it into action at the earliest possible moment. It is a very sincere and genuine desire to expedite these matters in such a fashion as to give economic strength and reassurance to the country on all sides, and I have no doubt that the alarms in these things are entirely overexaggerated and that we are going to have both cooperative and expeditious action on them. As I said the other night to some of you, we are going to have debate always

in a democracy, and it is a good thing to have it. The thing democracy needs is cooperation and leadership, and that we have and will continue to have.

That is only by way of background in answer to the questions that have come in. I am not making a public statement on that.

The first statement we will give you.

NOTE: President Hoover's two hundred and forty-third news conference was held in the White House at 12 noon on Tuesday, April 12, 1932.

On the same day, the White House issued a text of the President's statement on meetings with the House Select Committee on Economy (see Item 124).

On April 11, the House Ways and Means Committee opened hearings on the Patman bonus bill (H.R. 7726), providing for full payment of the World War adjusted compensation certificates. In conjunction with the hearings, Democratic congressional leaders Joseph T. Robinson and Henry T. Rainey issued statements opposing the bill.

124

Statement on Meetings With the House Select Committee on Economy. *April 12, 1932*

THE PRESIDENT said:

"The joint conference of the administrative officials and the Economy Committee of the House on Saturday resulted in most encouraging progress.

"Any program of legislation for fundamental changes in the laws affecting reduction of Government expenditure involves a very large amount of detailed research and detailed consideration. I have felt that we would make most distinct progress by continuing these conferences, and I have asked the Economy Committee to meet with me again tomorrow.

"The businesslike and effective way to handle the whole question of reduction of governmental expenditures where it requires legislative action as distinguished from action by appropriation committees is to

work out a definite national economy bill which can be presented to Congress and to the country as a completed whole. Obviously, it requires effort, but I do not believe it will consume a large amount of time.

"The development of such a program requires the closest cooperation between the executive and the legislative branches of the Government. It is most desirable that such a program shall be presented on an entirely nonpartisan basis on which we all take our measure of responsibility."

125

Letter to the Chairman
of the House Select Committee on Economy
About the National Economy Program.
April 12, 1932

My dear Mr. McDuffie:

In view of the real progress achieved at our conference on Saturday toward a national economy program, it seems to me that the most expeditious and businesslike way to achieve the conclusive results which we all desire would be to continue these conferences until, through discussion, mutual exchange of views and a thorough canvass of detail, such a definite national economy program can be prepared. I believe furthermore that the businesslike and effective way of assuring enactment of the legislation would be to embody the program so agreed upon into a single bill which would be presented to the House of Representatives as representing a non-partisan cooperative effort to reduce the cost of government.

If the views of your committee coincide with mine I shall appreciate it very much if the committee will meet with me again tomorrow at some hour suitable to your convenience.

Yours faithfully,
HERBERT HOOVER

[The Honorable John McDuffie, House of Representatives]

NOTE: The President met with the members of the select committee from 3 to 6:30 p.m. on April 13, 1932.

126

The President's News Conference of
April 15, 1932

THE PRESIDENT. I have had a number of questions and certain discussions with members of the press, in which I have been asked if I would discuss with you, purely for background, something of the economic situation and something of the fiscal policies and generally discuss a number of things merely for your information, as I see them. And so I determined to try it out and see whether I could be of any help to you on clearing up some current questions. This is wholly for background purposes. In an unedited statement of this kind I hesitate to be quoted, because I am dealing with some very difficult questions.

PUBLIC CONFIDENCE

As you know, the economic situation in the country is largely one of public confidence. It has reached that stage where the great economic forces of liquidation have more or less spent themselves, and liquidation has gone, in fact, entirely too far. In the middle of February, we had had a very distinct reestablishment of confidence and courage throughout the country. We have had during the last 3 weeks a considerable setback. It has arisen from a number of apprehensions which I feel are overexaggerated and to a great extent unwarranted. But these are times, of course, when sentiment is easily influenced, and it is time when we peculiarly need the courage and confidence of the business world, that is, the banking world and the production world—everybody right down to the smallest merchant and the smallest manufacturer. That is the group that must have the leadership in recovery. It is their activities that bring back employment. And there are a good many causes which have discouraged them. As I stated, I think they are overexaggerated.

TAX BILL

The tax bill, of course, contains items which are discouraging, and its passage was a good deal delayed and the debate has had some bad

159

effects. Any tax bill of course—or this tax bill at least—contains a number of sales taxes on special commodities. It contains also tariffs. The tendency of any action by the Congress on commodities, irrespective of what the nature of the action may be, tends to slow up business in those particular lines of activity. That is one thing that bears on the present situation. The essential thing is to get the tax bill through at the earliest possible moment, and I am confident that the sentiment in the Senate and in the House is one for an immediate straightening out of the rough edges of the tax bill and for the most expeditious passing of it. I do not believe there is going to be any more than just the normal and necessary delay. In fact, I am confident that Congress is going to put forward unusual exertion to close the matter up. That is the encouraging phase of that situation.

BONUS BILL

Another one of the contributions to the setback in confidence has been the agitation of the bonus, of course, but any canvass of the Senate will show that it is impossible for the bill to become law. A possible canvass of the House would indicate the same thing at the present stage, and so the public alarm on that is entirely ill-placed.

BANKING CRISIS

And another apprehension which we should have got by, and in fact are by if the public only realized it, and that is with regard to the banking situation. The results attained by the Reconstruction Corporation have reached a stage that pretty clearly indicate that the major banking crisis of the country is now past. That is indicated by the fact that in the 9 weeks prior to the time when the Corporation came into action we had a net number of 655 banks closed. That is net after deducting the number that were reopened in the same period. And the net amount of deposits in those banks that were closed were \$478 million. Now, taking the average size of deposits in the United States, that means that something over 1,200,000 people were deprived of their immediate resources in that period of 9 weeks, which is a very considerable number of families if you apply it in that direction. In

the 9 weeks since the Corporation has been operating, after we deduct banks reopened, there were only 77 banks closed, and total deposits of \$25 million. In other words, there has been a reversal of the situation by 95 percent. Another indication of the passage of the banking crisis is the fact that in the 9 weeks before the antihoarding campaign, which coincided with the Reconstruction Corporation, we had about \$400 million of currency withdrawn from the banks, whereas in the 9 weeks since we not only have had no withdrawals of balance, but have gained \$250 million of returned currency. Both of these facts should indicate that we are by the major banking crisis and that it is behind us.

BALANCING THE BUDGET

And, of course, another fundamental contribution to the stability of the situation is the obvious acceptance by everybody that the budget must be balanced. In the discussion over the form of taxes and the form of reduction of expenses, we sometimes lose sight of the fundamental thing and that is the enormous importance of the general acceptance that the budget is and will be balanced. What is more, the sentiment has grown definitely in the last 2 weeks for the acceptance of a drastic and I think an omnibus economy bill which will attack that quarter of expenditure which cannot be reached except by amendment and alteration of the existing laws. In other words, outside of the field that can be reached by appropriations, either through executive action or the appropriations committees. The economies that can be reached in that direction are apparently close to \$200 million, and that added to the \$369 million already cut from the budget before it was sent to Congress, and then again to add cuts in progress by the appropriations committees which look like somewhere in the neighborhood of \$100 million, even if we accept the postponements we have an aggregate from all of over \$650 million—somewhere between \$650 million and \$700 million reduction in Federal expenses.

If you consider the fact that nearly 60 percent of the expenditures of the Federal Government are fixed commitments of the Government in the shape of debts and obligations for pensions and subsidies to the States, outstanding contracts, et cetera, et cetera, you will see that we

have only 40 percent of the Federal expenditure to attack, and that out of that area of 40 percent we are securing a reduction of nearly 40 percent of the 40. That is the most drastic reduction of governmental expenses that I think has been undertaken by any government in any time in any one year.

Q. Mr. President, isn't that 40 percent of 30 percent?

THE PRESIDENT. Fixed expenditures about 60 percent. As a matter of fact, the fixed amount is somewhere between \$2,500 million and \$2,600 million out of the \$4,300 million of budget.

The fact that the Government is facing the reduction of expenditures, that Congress is facing it, and that the administration is facing it, ought to contribute to the restoration of confidence in the country as a whole.

FURLOUGH PLAN FOR GOVERNMENT EMPLOYEES

Incidentally, I might mention one or two things of the plan proposed by the administration, which may or may not be accepted by the Congress, but which have a bearing on the economic situation. The plan as we propose it, and which has been accepted by some members of the Economy Committee, establishes the principle of the 5-hour day, which is going to be a public necessity in the recovery from this depression to a large extent. I mean the 5-day week, or some similar working period. So, using the 5-day week as a slogan really is not an accurate way of approaching the subject. It is really shortening of working hours and a larger distribution of labor. In the plan which we put forward we gain rather more actual economy, but of equal importance, if the appropriation bills go through as they are now cut by the Congress and by the administration, we are going to be compelled to discharge anything from 5,000 to 10,000 Government employees in the midst of unemployment, and if this plan were accepted, we would hold all of those people. But even beyond that, and of rather more importance from the point of view of employment, in order to work that plan we will have to take on somewhere from 30,000 to 35,000 more Government employees. In other words, we will have to take on a list of substitutes in all of the Government departments because the Government must continue to function. The Government does not go on a 5-day week. In many of its branches

we could not give a 30-day holiday or 5-day week in that someone has to take his place in a great many of the branches of the Government. But in the balance between the amounts which we have for retaining employees that would otherwise be discharged and by taking on further employees, as against the saving that we make by going on the 5-day week and the comparable staggering of salaries, we wash out somewhere between \$75 million and \$80 million of savings. That is rather a side issue to mention, but I thought I might make that clear as I go along.

FEDERAL TAX REVENUES

There is another phase of the general situation which I find considerably overlooked in public discussion which bears on the whole subject of Government economy. I am not entering on a partisan debate. But the general impression of the public is that the Government has been extravagantly run and that the cause of our difficulties is that. It may be that we are subject to that charge. We have been running in a period when all the world wanted to spend something and all the world has been down to persuade Congress to do it within the last 10 years. But disregarding that altogether, the financial difficulties of the Government are due to the drop in income receipts. Only one figure illustrates that, in that the income tax has averaged in a normal year somewhere about \$2,400 million, and we are budgeting only for \$860 million for next year. In other words, we are anticipating a drop in all our calculations of approximately \$1,400 million in Government income in one category of tax receipts alone. In fact, the total drop in Government income that we are basing our budget on is about \$1,500 million. So the necessity of increase in taxes to reduce expenses does not arise from our extravagances. It arises from our loss of income—another practical fact. There is one phase of that—the proposed increase of tax is somewhere about \$1,200 million. I gave you the wrong figure a moment ago. The total drop of income is about \$2 billion. We are proposing to increase taxes to bring in a revenue of \$1,200 million. So that we are not asking the taxpayer to make up the whole of this deficit—we are meeting the deficit caused by the fall in income to a very considerable degree by cutting expenses and adjustments of one character and another.

CREDIT EXPANSION

And finally, there is one other reason for renewed encouragement and that is one of the greatest undertakings made in support of the situation in the Government taken by the Federal Reserve System during this week in the policy of concerted, organized credit expansion. That is, through the expansion of open market operations and the drive for expansion of credit through the banks to business and industry.

In a large sense, therefore, I feel that the wave of pessimism over the past 2 or 3 weeks has been overdone in the face of the actual situation that exists, which contains many fundamentally favorable aspects.

That is all I have to say.

FURLOUGH PLAN FOR GOVERNMENT EMPLOYEES

Q. Mr. President, may we refer to that 5-day week? When you speak of washing out at \$75 million to \$80 million of possible saving, does that mean an increase over the net budget (?)¹ to that extent?

THE PRESIDENT. No, there will be a decrease in our expenses for salaries of about \$75 million to \$80 million. We take on the additional employees within that. They will be part-time employees.

Q. Mr. President, does the 5-day week operate throughout the Federal service?

THE PRESIDENT. We have to make some exceptions. Generally speaking it does, but in order to work it you understand that it can only apply directly to the per diem employees, and it is applied there by doing away with the equivalent of the Saturday forenoon work. At the end of a year it would mean about one-half of 52 weeks, which would amount to 26 days of holiday without pay. Then we make the equivalent in the salary basis by making a calendar month of holiday without pay, which amounts to almost exactly the same thing as the 5-day week although we would not apply it in one single stretch of 30 days in most positions.

¹ The question mark appears in the transcript.

Q. Mr. President, your remarks regarding the necessity of staggering work as essential to pull us out—is that intended to apply only to the Government establishment or to industry?

THE PRESIDENT. The manufacturing industries of the country are today running anywhere from a 2- to 4-day week, and as we recover from this depression, which we are going to someday, the normal course would be for them to put on more days work per week for their employees, and the normal course would be to stop at the point when they have gotten to the 5-day week, or its equivalent in hours, until such a time as we have taken up the slack of all the unemployment. And I think the feeling is that if the Government entered into the same field of thought it might help in establishing that entire situation.

NOTE: President Hoover's two hundred and forty-fourth news conference was held in the White House at 4 p.m. on Friday, April 15, 1932.

127

White House Statement on the Furlough Plan for Government Employees.

April 16, 1932

THE OMNIBUS BILL for amendment to the various laws so as to permit reduction of Government expenses beyond those which can be effected by the Executive and the Appropriations Committees, should ultimately reduce expenditures by upwards of \$225 million and possibly \$250 million.

The bill represents the drafting of matters discussed by the joint sessions of the administration representatives and the House Economy Committee, not all the provisions being agreed upon by all the conferees, and one of the differences of view referring to the handling of Federal employee questions.

The following description of the effect of the "5-day week staggered furlough plan" in substitution for the "pay-cut plan" is given in reply to a great many telegraphic and other inquiries.

This plan provides for 1 year:

1. Application of 5-day week directly to per diem employees by eliminating the equivalent of Saturday half-day employment; that is, 26 days' furlough in the year without pay. The equivalent is reached with annual employees by one calendar month's furlough without pay, the month not necessarily to be continuous.

2. Furlough to be mandatory and all holidays with pay are eliminated.

3. The following groups are excepted: (a) all civil employees of income of \$1,200 per annum and less, (b) the enlisted forces of the military services, (c) special cases in continuous services where suitable substitute cannot be provided and public interest forbids the absence of regular employees, (d) rural mail carriers in respect to whom it is provided that their vehicle allowances are eliminated in lieu of the shortened time, (e) in cases where the plan would reduce employees between \$1,200 and \$2,500 income below the prevailing income of comparable occupations outside of the Government. An adjustment to reduced compulsory furloughs is provided through appeal to the Classification Board.

The arguments in favor of the plan are:

a. It establishes the principle of the 5-day week in the Government.

b. It maintains present scale of salaries but each person takes holidays at his own expense.

c. It is prorated to all officials, from Cabinet officers down to persons receiving \$1,200 per annum, and provides against hardship to those receiving between \$1,200 and \$2,500.

d. It provides a saving of \$80 million to \$82 million as against \$67 million on the straight pay-cut basis.

e. With the cuts in departmental appropriations now under discussion in Congress, a number, possibly as many as 10,000 out of the million Government employees, would need to be discharged. Under this plan, however, many substitutes will be required in the continuous services which would enable the retention of these otherwise discharged employees, but beyond this it is estimated that from 25,000 to 35,000 further substitutes would be needed, thus contributing to reduce unemployment. Under the pay-cut plan the unemployment situation would not be met.

128

Message of Sympathy on the Death of Julia Lathrop.

April 16, 1932

I AM DEEPLY grieved to learn of the death of your distinguished sister, Miss Julia Lathrop, whose work in behalf of the children had endeared her to the American people and secured her place in history as a pioneer in the scientific care of the problems of childhood.

HERBERT HOOVER

[Mrs. Anna Case, 1204 National Avenue, Rockford, Illinois]

NOTE: Julia Lathrop, first Chief of the Children's Bureau in the Department of Labor, died on April 15, 1932.

129

Message to the Goethe Society of America.

April 18, 1932

[Released April 18, 1932. Dated April 15, 1932]

My dear Dr. Baruch:

I send cordial greetings to those gathered at the Centenary Banquet to honor the memory of the great Goethe. His rounded genius should inspire all modern men to realize that the most skillful practice of the noblest forms of art does not preclude a practical activity in the immediate concerns of government of one's country, and equally that a profound absorption in philosophy and science may be successfully united with the liveliest sense of obligation to discharge the full duty of the citizen. Goethe's contributions to modern thought have borne fruit far beyond the confines of his German fatherland, and have touched significantly the lives of all nations, including conspicuously our own.

Yours faithfully,

HERBERT HOOVER

[Dr. Emanuel de Marnay Baruch, President, Goethe Centennial Committee, 57 East 77th Street, New York City]

NOTE: The message was read at a dinner which was sponsored by the society and held in the Waldorf-Astoria Hotel in New York City.

130

Message on the Celebration of the Centennial
of Union Square in New York City.

April 21, 1932

[Released April 21, 1932. Dated April 19, 1932]

My dear Mr. Plyer:

I am interested to learn of the celebration of the centennial of the official opening of Union Square as a public park by the City Council of New York, because of my firm belief in the value of preserving historical traditions as a stimulus to local pride in community progress. The historical interest of the park, running far back of the formal dedication of 100 years ago, and its evolution through residential and retail business uses to its present importance as a centre of industry, finance and commerce, give it a distinctive quality deserving commemoration. I congratulate your committee, and the business interests which it represents, upon this successful celebration of a significant occasion.

Yours faithfully,

HERBERT HOOVER

[Mr. A. M. Plyer, Chairman, Union Square Centennial Committee, Everett Building, 45 East 17th Street, New York City]

NOTE: The message was made public in connection with pre-celebration publicity. The ceremonies commemorating the Union Square centennial took place on April 23, 1932.

131

Message to Edwin Markham on His 80th Birthday.

April 21, 1932

[Released April 21, 1932. Dated April 19, 1932]

My dear Mr. Markham:

I send you my most hearty congratulations upon your 80th birthday, and my hope that you may long continue to inspire the American people

168

with your gift of song. Mrs. Hoover joins with me in sentiments of cordial regards both to yourself and Mrs. Markham.

Yours faithfully,

HERBERT HOOVER.

[Mr. Edwin Markham, Westerleigh Park, West New Brighton, N.Y.]

NOTE: The message was made public in connection with publicity for a birthday ceremony, held in Carnegie Hall on April 23, 1932.

132

The President's News Conference of
April 22, 1932

FURLOUGH PLAN FOR GOVERNMENT EMPLOYEES

THE PRESIDENT. I haven't anything for quotation today. I have one or two points on the background of this question of a straight cut in pay for Federal employees versus the plan which we have suggested that there seems to be some confusion about.

The straight pay cut would produce an economy of something like \$67 million, but fails to take account of the other problems which lie in the administration. So far as the financial part of it is concerned, it is not so prolific of saving as the plan which we projected, which is worth about \$82 million. But we have the problem under the cuts which will be made in appropriations arising out of the passage of any economy bill—that is, a bill which gives authority to rearrange or reduce departmental activities, et cetera—of dismissal of Federal employees.

Now, throughout this depression private industry and business have shown a great deal of sense of social responsibility toward the people whom they employ, and they have endeavored in an extraordinary fashion to distribute employment so as to give some income at least to all of their regular employees, or as many of them as they could assist. As you know, the staggering of employment has become almost universal in industry. I know of one corporation that employed 123,000 people at the height of its production and has 121,000 on its payroll today,

although it is only working 2 days a week. But no employee of that corporation has been thrown upon public charity or upon municipal or State aid. And it seemed to me that the Government has a social obligation and social responsibility of leadership even greater than that of private industry and that, therefore, any plan of this character must include a provision for maintaining the normal employees of the Government in living; that any other project than that would be inhumane, and it is unfair to the country as a whole that the Government should be responsible for throwing 50,000 or 75,000 employees into the pool of unemployment, putting these people in a state of great privation, when it could at least follow the social instinct that private business has shown.

Therefore, we proposed that due justice be done in other quarters by way of providing a staggering form of employment, and we arrived at that by the institution of the 5-day week and a corresponding arrangement in salaried positions. The effect of all of which would be that instead of the Government placing anyone on the street and in the unemployed list we would probably need to absorb 25,000 to 50,000 more people in order to make it effective. So that we would make an actual contribution to unemployment instead of exaggerating it. The financial results of what we are doing are even better, the employees being called on for a larger sacrifice than they would be the other way. The operation of it does not propose that we would give 30 days straight leave without pay to our salaried employees, but 2 weeks or a week or whatever was necessary at odd times in order to make up the total during the year and save the interruption in Government activities. So that it has not only those advantages from the point of view of the employees and the sense of responsibility that a government ought to have, but it also takes a stand by the Government on the question of shorter hours of work, a matter with which we are faced for some time to come. So that altogether I feel very strongly that the plan which we have proposed is essential.

Now, this becomes particularly important in view of the rather uncoordinated action of the Senate in its work on economy, because when it comes to making straight and flat cuts in appropriations,¹ there is

¹ The Senate had adopted a policy of reducing all appropriations by 10 percent.

no way in the world to represent those cuts in expenditure except sheer dismissals. There is no other way to do it unless we have the authority to do these things that we have proposed under this plan. The cuts of the Interior Department, I understand, will make it necessary as the matter stands today, unless this plan is adopted, for the Interior to drop somewhere from 800 to 1,000 employees.

Q. Mr. President, is that right in Washington or throughout the country?

THE PRESIDENT. Throughout the country.

And incidentally, they are to go on with their expenditures on park roads and trails, and under normal calculations they would be giving employment to about 1,300 to 1,500 people; so that we are taking people who have given their careers and their lives to Government service—and these are civil service employees that we are talking about, not political appointments—dismissals of one group on one hand and taking another group on on the other.

One has this to bear in mind about Government employees, that they are just as much of a profession, most of them, as any other profession. When they enter the civil service and make it their lifework, they are no more able to find occupation at large than any other dismissed groups because of the shortage of work in their particular profession. They have no other government to turn to. And certainly when people are trained in a special profession for a certain purpose there is a responsibility to look after them—a moral responsibility.

So that I just wanted to emphasize for your own information and perhaps your assistance to us, that when [which] we have proposed here is something that is constructive, helpful, and above all, it is humane, and it expresses the moral and social responsibility of any employer, in which the Federal Government should not fall short of the private employers of the country, but on the other hand should in fact lead in the establishment of both moral and social standards.

That is all I have got for today.

NOTE: President Hoover's two hundred and forty-fifth news conference was held in the White House at 4 p.m. on Friday, April 22, 1932.

133

Statement on Signing the Interior Department
Appropriations Act.

April 22, 1932

THE PRESIDENT said:

"In signing the Interior Department appropriation bill I wish to express the hope that the provisions asked for from the Congress in the 'furlough plan' and for a limited flexibility in transfer of appropriations within the departments will be authorized. Such measures would enable us to realize the economies provided in the bill with less interruption to the public service and without such serious hardship on numbers of employees."

NOTE: As enacted, the bill (H.R. 8397), approved April 22, 1932, is Public, No. 95 (47 Stat. 91).

134

Statement on Better Homes Week.

April 23, 1932

FOR MANY YEARS Better Homes in America has contributed to our national well-being by stimulating improvement of existing homes and construction of new homes of sound standards of design, construction, and equipment. Its 8,500 committees have spent months preparing admirable education programs for unemployment relief through home care and repair, by contests for home garden improvement, and by demonstration of new and reconditioned houses. All they can do to encourage homeownership, to improve home design, decoration and furnishing, to improve the design and arrangement of kitchens, to better the upkeep and planning of gardens, and to add to healthfulness and wholesomeness in the home environment, will serve to promote the finer values of the home, community, and Nation.

172

I cordially commend the Better Homes movement, and urge all our people to share wholeheartedly in observance of the week beginning April 24th as National Better Homes Week.

NOTE: Better Homes Week was sponsored by Better Homes in America, a voluntary public service corporation that President Hoover had helped organize while Secretary of Commerce. The week's activities consisted of an annual campaign of exhibits and educational projects aimed at improving housing and household management.

135

*White House Statement on Committees and Commissions.
April 24, 1932*

IN A BUSINESS so vast and complex as that of the Federal Government a large part of the research work necessarily is carried out by special commissions and committees, delegated to investigate a given subject and to report to the President or to the Congress. They also act for the coordination of Government activities, recommend policies, represent the Government abroad or at national functions, and exercise semijudicial or semilegislative powers delegated by the Congress.

A great majority of these commissions are created, not by the President but, by the Congress upon its own motion. All of the commissions created by the President are for temporary nonadministrative purposes as are also a large number of those created by the Congress.

The number of commissions set up under recent administrations are:

	By Congress	President	Total
President Roosevelt.....	..	..	107
President Taft.....	..	..	63
President Wilson.....	75	75	150
President Harding.....	..	..	44
President Coolidge.....	74	44	118
President Hoover.....	22	20	42

A full list of the commissions and committees created under previous administrations was published as a Senate Document at the request of Senator Watson.¹

Of the committees or commissions created by President Hoover himself none have entailed appropriations by Congress; all were temporary and all but three or four have completed their useful tasks. The following list comprises the committees or commissions under the Hoover administration:

1. COMMITTEE ON COORDINATION OF VETERANS SERVICES.—This was an interdepartmental committee and the result of its investigation and report was the consolidation of all veterans' services into the new Veterans' Administration with the result of an annual savings in expenditures of fully \$10 million a year. The committee has completed its work and has been dismissed. (No expense to the Government.)

2. ADVISORY SHIPPING COMMITTEE.—This committee was appointed to advise upon the sale of certain steamship lines by the Government and the reorganization of others. The policies recommended have been followed with success. The committee has completed its work and has been dismissed. (No expense to the Government.)

3. CALIFORNIA WATER COMMISSION.—This commission was created in conjunction with the Governor of California for the coordination of State and Federal activities in water problems of the State of California. It has cost the Federal Government nothing. The commission has completed its work and has been dismissed. (No expense to the Government.)

4. NATIONAL DROUGHT COMMITTEE.—This committee was appointed to coordinate Federal, State, and other activities in the matter of drought relief and to recommend a national program. The result of its investigation was recommendations which led to the undertaking of relief by the Red Cross and appropriations by Congress for rehabilitation of agriculture from the drought. It represents no expenditure. The committee has completed its work and has been dismissed. (No expense to the Government.)

5. SAN FRANCISCO BRIDGE COMMISSION.—This commission was appointed in conjunction with the Governor of California to settle the conflict between Federal [and] State authorities in determination of the location of a bridge across San Francisco Bay. The commission settled this question which had been a matter of public dispute for over 10 years, and preparations are being made for the construction of the bridge. The commission cost the Federal Government nothing.

¹ Senate Document 174, 71st Congress, 2d session.

It has completed its work and has been dismissed. (No expense to the Government.)

6. **ADVISORY COMMITTEE ON VETERANS' PREFERENCE.**—This committee was set up to determine policies with respect to employment of disabled veterans and the method of preference to be given by Government departments. It made a report and Executive order has been issued placing the recommendations in action. The committee has completed its work and has been dismissed. (No expense to the Government.)

7. **ADVISORY COMMISSION ON UNEMPLOYMENT STATISTICS.**—This commission was appointed to advise the method by which unemployment statistics should be recruited by the Department of Labor under authority of Congress requiring the establishment of such service. The committee has made its recommendations, and they have been placed in action, and the committee dissolved. The committee has cost the Government nothing.

8. **EMERGENCY UNEMPLOYMENT COMMITTEE.**—This committee was created to coordinate Government activities in employment programs in the depression and secure organization of committees throughout the country through adequate organization of local agencies to take care of distress during the depression. It made an effective contribution to the situation. (Practically no expense to the Government.)

9. **INTERDEPARTMENTAL MAIL CONTRACT COMMITTEE.**—This commission was appointed to coordinate the activities of the Department of Commerce, the Shipping Board, the Army and Navy in respect to marine mail contracts. It has passed upon and negotiated postal and other contracts which have resulted in agreements for the construction of nearly 500,000 tons of merchant ships. It is still functioning but costs the Government nothing.

10. **RESEARCH COMMITTEE ON SOCIAL TRENDS.**—This commission is engaged in research into various social questions which bear on immigration, hours of labor, and many kindred subjects. Its expenditures are being met by the Rockefeller Foundation.

11. **WHITE HOUSE CONFERENCE ON CHILD HEALTH AND PROTECTION.**—This committee conducted investigations into child health and protection and directed the White House Conference on that subject and is engaged in followup activities throughout the country. Its expenditures have been met by the ARA [American Relief Administration] Children's Fund and there has been no expense to the Government. It has made a notable contribution to the welfare of children in coordination of national, State, and local activities. The conference has completed its task except publications. (No expense to the Government.)

12. **WHITE HOUSE CONFERENCE ON HOME BUILDING AND OWNERSHIP.**—This committee is engaged in exhaustive investigation of housing conditions, financial and other methods for extension of homebuilding and homeownership. Its

expenses are being paid by private subscription, and it costs the Government nothing.

13. **ADVISORY COMMITTEE ON ILLITERACY.**—This committee was created to coordinate the activities of the Federal Government with State governments and private agencies throughout the country in the elimination of illiteracy. It has carried on active campaigns, organized schools for adults, and has greatly contributed to the elimination of illiteracy. It has been supported by private subscription. (Task completed.)

14. **COUNCIL OF PERSONNEL ADMINISTRATION.**—This is purely an interdepartmental committee to establish standards in Federal Government employment. (No cost to the Government.)

15. **ADVISORY COMMITTEE ON EDUCATION.**—This committee is engaged in exhaustive study of problems of coordinating the different Government activities together with those of the States and municipalities in questions of education. The committee's expenditures are being paid by the Rosenwald Foundation.

16. **TIMBER CONSERVATION BOARD.**—This committee was created to study and advise on forestry policies with view to coordination of Federal, State, and private activities in conservation. It is supported by private subscription.

17. **ANTI-HOARDING COMMITTEE.**—This committee was created by the President in volunteer cooperation with leading business and civic organizations of the country for the purpose of stopping the hoarding of money during the economic depression. It cost the Federal Government nothing. (Task completed.)

18. **COMMITTEE ON ABANDONED ARMY POSTS.**—This committee is made up of departmental officials; was appointed to devise means of utilizing Army posts abandoned in the War Department retrenching program and cost the Federal Government nothing. (Task completed.)

19. **COMMITTEE FOR THE STUDY OF EDUCATION IN HAITI.**—This committee was appointed by the Secretary of State and consists of prominent educators in the United States. It is making a study with a view to improving the educational system in Haiti. (Task completed and committee discharged.)

20. **THE PRESIDENT'S UNEMPLOYMENT RELIEF ORGANIZATION.**—This commission was set up under Walter S. Gifford as director to cooperate with the States and municipalities in devising ways and means for the relief of unemployment during the winter of 1931-32. It took over the work of the Emergency Unemployment Committee which was set up at the outset of the economic depression and has made a very distinctive contribution in the relief of the whole unemployment situation. (Volunteer membership.)

COMMITTEES CREATED BY CONGRESS

21. LONDON NAVAL CONFERENCE.—This commission negotiated and completed a naval treaty for the limitation of navies. It has saved hundreds of millions of dollars to the American taxpayer and secured parity to the American Navy and brought about better international relationship to both Japan and Great Britain. (Task completed.)

22. THE HAITIAN COMMISSION.—This commission settled the terms of the withdrawal of the United States from Haiti and set up such arrangements within that island as prevented further revolution. This commission has completed its task and has been dismissed.

23. NATIONAL COMMISSION ON LAW OBSERVANCE AND ENFORCEMENT.—This commission has made exhaustive reports on the whole problem of law enforcement and the reorganization of the law enforcement machinery and the judiciary of the country. The commission in a report said that "Federal participation in enforcement has shown continued improvement since and as a consequence of the act of Congress of 1927 placing prohibition officers under civil service, and the act of 1930 transferring prohibition enforcement from the Treasury to the Department of Justice".

24. COMMISSION ON CONSERVATION AND ADMINISTRATION OF PUBLIC DOMAIN.—This commission has made a report on the conservation of western lands and ranges and recommendations for management and disposal of public lands. Its report has been completed and has been submitted to Congress.

25. THE FEDERAL FARM BOARD.—This commission was proposed by both the Republican and Democratic Conventions and was recommended by the President for the relief of agriculture. It is permanent and is designed to aid cooperative organizations of farmers to market their crops.

26. GENEVA ARMS LIMITATION CONFERENCE.—This commission was created by the President, with expenses provided for by the Congress for American participation in the General Arms Limitation Conference which began in Geneva in February 1932.

27. INTEROCEANIC CANAL BOARD.—This board is engaged in a survey of the Nicaraguan Canal.

28. MASSACHUSETTS BAY COLONY TERCENTENARY COMMISSION.—This commission represented the Federal Government in the celebration in Massachusetts. This commission has completed its task and has been dismissed.

29. NATIONAL MEMORIAL COMMISSION.—This commission was created by Congress for the erection of a building as tribute to the Negro achievements in America.

30. ICELAND—1,000TH ANNIVERSARY OF THE ALTHING.—Commission created by Congress to attend the celebration representing the American Government. The commission has completed its task and has been dismissed.

31. YELLOWSTONE NATIONAL PARK BOUNDARY COMMISSION.—This commission was created to settle the boundaries of Yellowstone National Park. It has completed its work and its report and recommendations sent to the Congress.

32. ALASKA HIGHWAY COMMISSION.—This commission was created by Congress to make a preliminary survey of the highway from continental United States to Alaska.

33. CHICAGO WORLD'S FAIR CENTENNIAL CELEBRATION.—Commission created by Congress to investigate and report with reference to the Federal Government's representation and participation in the celebration. Its report is now before Congress.

34. JOINT COMMITTEE TO INVESTIGATE PAY READJUSTMENT OF ARMY, NAVY, MARINE CORPS, COAST GUARD AND GEODETIC SURVEY, AND PUBLIC HEALTH SERVICE.

35. UNIVERSAL DRAFT COMMISSION.—Public Resolution No. 98 (71st Congress). Commission to study promotion of peace, equalization of burdens of war, and minimization of profits of war.

36. DISTRICT OF COLUMBIA FISCAL RELATIONS.—This committee to make full investigation of fiscal relations of the District of Columbia and the United States Government and to report its recommendations to the House.

37. CHARLESTON, S.C., CELEBRATION OF 250TH ANNIVERSARY OF FOUNDING.

38. LEWIS AND CLARK EXPEDITION CELEBRATION.

39. JOINT COMMITTEE TO INVESTIGATE NORTHERN PACIFIC LAND GRANTS.

40. JOINT COMMITTEE TO ATTEND SESQUICENTENNIAL CELEBRATION OF BATTLE OF KINGS MOUNTAIN, S.C.

41. UNITED STATES BATTLE OF THE MONONGAHELA COMMISSION.

136

Veto of a Bill Relating to Indian Claims.

April 25, 1932

To the Senate:

I am returning herewith Senate Bill 826, "An Act conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon", without my approval.

The bill limits the claims which can be presented to those "arising under or growing out of any treaty, agreement, Act of Congress, Executive Order", and then throws the door wide open by adding "or otherwise". I can not assent to the proposition that the Government should

be obligated after 75 years to defend a suit for unknown claims of such ancient origin and for persons long since dead not based upon any treaty, agreement, Act of Congress, or Executive Order.

I want full justice for our Indian wards, and would have no objection to the presentation of claims arising under the treaties named in the bill, both ratified and unratified treaties. I am advised, however, that all funds promised to these Indians under the ratified treaties have been appropriated and paid, and that lands were set aside for, and occupied by, the Indians who were parties to the unratified treaties. I am further constrained to this action at a time when the Government can not assume additional and unknown burdens of expenditure.

HERBERT HOOVER

The White House,
April 25, 1932.

NOTE: The Senate referred the bill to the Committee on Indian Affairs on April 29, 1932, and no further action was taken.

137

Address to the Conference of Governors.
April 27, 1932

I AM GLAD to accept your invitation to meet with the chief executives of the States. We are alike facing great emergency problems of government. We are confronted with maintaining the financial integrity of the government—State, Federal, county, and municipal. We, all of us, are struggling to reduce the cost of government. We are struggling to avoid national, State, and municipal borrowings. Our tax revenues have all greatly diminished. We must find new tax revenues to supplement those sources which have been dried up by the depression, so far as our deficits cannot be made up by drastic reductions in expenditures. We must resolutely balance our budgets.

The economic safety of the Republic depends upon the joint financial stability of all our governments. That stability of the Nation is to be attained not alone by the financial stability of the Federal Government.

It lies equally in the financial integrity of every State, county, and municipal government. As executives we are charged under our constitutions with the duty to recommend methods and measures to our legislatures to these ends. I know of no more difficult task. Yet the foundations of recovery of business, of employment, and of agriculture depend upon the success of our efforts and the efforts of our legislators.

You are meeting here to consider many phases of these questions. It is to urge the national aspect of our continued State and local financial problems as well as our Federal issues and to discuss some measures of cooperation that I have accepted your invitation to address you today.

A few figures will assist us in considering the cost of government and the extent to which it has increased in the last 20 years, although all such figures are but approximations and have many different bases of calculation. For purposes of illustration I have taken the year 1913 as the last year to reflect prewar conditions, the year 1924 as far enough removed from the actual war years to fairly indicate the trend, and 1930 as the last year for which figures are available.

Expenditures including debt retirement from surplus were approximately as follows:

	1913	1924	1930
Federal.....	\$700,000,000	\$4,100,000,000	\$4,200,000,000
State.....	400,000,000	1,400,000,000	2,300,000,000
Local.....	1,800,000,000	5,400,000,000	7,500,000,000
Total.....	2,900,000,000	10,900,000,000	13,200,000,000

Our outstanding debt was approximately:

	1913	1924	1930
Federal.....	\$1,000,000,000	\$21,300,000,000	\$16,200,000,000
State.....	300,000,000	1,100,000,000	1,800,000,000
Local.....	3,500,000,000	8,000,000,000	12,600,000,000
Total.....	4,800,000,000	30,400,000,000	30,600,000,000

The causes which have led to this extraordinary increase in expenditures and debts are familiar. They include the burden on the Federal Government imposed by the war. This accounts for nearly \$2 billion of annual expenditures and for most of the increase in the debt. You will observe that outside of the war influence our greatest increase in costs of government lie in local and municipal agencies.

In all our governments, however, Federal, State, and local, enlargement of expenditure and of debts has been caused in part by the increase in population, the rise in commodity prices and wages; by the improvement and new building of roads, streets, waterways, and airways, imposed on us through the development of the internal combustion engine; and by the growing sense of social obligation to improve education and to enlarge activities in behalf of welfare and relief. In addition, I regret to say, increase of government expenditure and of debt has been caused by sectional and group demands and by a large expansion of national, State, and local ventures into business—most of which we perform in a most costly manner. Just as the methods and practices in private business and living have had to be overhauled in this emergency, so also must we overhaul the methods and practices of government.

Today we are clearly absorbing too great a portion of the national income for the conduct of our various branches of government. Using the most reliable figures available, it appears that before the war the total cost of our National, State, and local governments represented only about 8 percent of our national income. In boom times, when we might hope that the national income would increase more rapidly than the cost of government, nevertheless the cost of government actually increased to such an extent that it represented approximately 15 percent of the national income, of which less than 3 percent was directly due to the war. Today, with the falling off of business, the aggregate expenditures of national, State, and local governments probably represent more than 20 percent of the national income.

Before the war theoretically every man worked 25 days a year for the national, State, and local governments combined. In 1924 he worked 46 days a year. Today he works for the support of all forms of gov-

ernment 61 days out of a year. Continued progress on this road is the way to national impoverishment.

Some of the expenditures in government can be reduced by postponement of less urgent matters, some by permanent elimination or curtailment of functions and activities which have been created over the last 50 years in response to the desire for expanded service by the community. These expanded services are some obsolete but many of them meritorious. But every executive is confronted by the fact that they are established by law and can only be reduced by authority of new legislation.

There has been also the growth of useless duplication and waste. Many of you have already pointed out and are today struggling to reduce the multiplicity of local governments. Many of these administrative units have been rendered obsolete by improved communications and transportation. In the Federal Government we have likewise a large number of functions which should be grouped and consolidated.

In an emergency these weaknesses become more apparent, and public attention to government and taxes offers opportunity for their revision. We cannot restore economic stability in the Nation by continuing to siphon so large a part of private effort into the coffers of the government, its abstraction from the people stifles the productivity, the consumption, and the recovery of employment. Nor can we hide our heads in the sand by borrowing to cover current government expenses, for thus we drain the capital of the country into public securities and draft it away from industry and commerce. Thus a dominant national necessity is to reduce the expenditures of all our governments. This is not only the need, it is the universal demand.

I know that every dollar of decrease in expense, every plan of consolidation in governmental activities, touches some sensitive spot where it causes pain and resentment. While the people as a whole demand and applaud these endeavors toward economy, in the large the complaints and threats of sections and groups greatly impede the concrete efforts of all executives and legislators. As a result one of the difficulties that all executives face is the tendency to secure reduction of expenditures at the cost of those services necessary to protection of life, property, defense, and

other vital functions rather than to reduce those items which excite the political interest of special groups.

Another of our difficulties is to arrange our reductions of expenditure so as not to work undue hardship upon a vast group of public employees and to be careful that, while we strive on one hand to assist the unemployed by public works, we do not add to the pool of unemployed through dismissal of large numbers of equally deserving public servants. I am in hopes that in the Federal Government we can compass the need of reduced expenditure and at the same time, by introduction of shorter working time for each employee, can give all of them a living, can maintain to them the assurance of recovery of the standards of American life, and can avoid the inhumanity of thrusting them upon the local communities for support against destitution.

The other side of our problem is taxation. It confronts all of us in four phases. First, the need for ultimate reduction in the tax burden. Second, the need, in the existing emergency, for new forms of taxation to replace those sources of revenue which have failed us under present conditions insofar as we cannot possibly offset the whole loss of public income by reduced expenditures. Third, the great problem of duplication in the tax field between Federal, State, and local governments. Fourth, reorganization of the tax basis so as to secure a more just distribution of the tax burden as between the various groups of taxpayers.

Our problem in tax reduction would be a simple equivalent of our savings in expenditures if it were not for the drastic decline in tax receipts—Federal, State, and municipal. This decrease has been of serious dimensions because tax sources, particularly for the Federal Government, and to a lesser extent State and municipal governments, are dependent upon business activity, upon profits and income. The revenues of the Federal Government have diminished over 50 percent, and this mainly in one group—the income taxes. And in result the contract obligations alone of the Federal Government exceed our tax income. As a result of the decreased income all of our governments, national, State, and municipal are frantically searching for new sources of taxation. In this process we are too often duplicating taxes upon the same sources. No matter how we disguise it with names such as “excise,” “luxury,” or

"sales," the result is the same; the National, State, and municipal governments are competing with each other for revenue from business activities. We are all seeking further revenue from income and estate taxes. While the National Government imposes no direct taxes on real property, the State and local governments are all pressing upon each other in taxing it. This same real estate indirectly bears in part the taxation which the Federal Government lays on profit and income. It all reflects in the rent. All these cross purposes contribute to economic duress. The many provisions of multiple taxation may vary so much that a taxpayer coming under several jurisdictions may find himself paying a wholly unreasonable amount for the support of government. The tax levies of the various taxing authorities all constitute a burden on the national income, and in times of depression, when the relative weight of that burden is increased, lack of coordination in the system becomes a matter of prime importance.

One of the taxes which is responsible for a disproportionate part of the hardship of our present tax system is the general property tax. While the National Government imposes no such tax, the State and local governments rely heavily on it for revenue. The taxes upon real property are the easiest to enforce, and are the least flexible of all taxes. The tendency under pressure of need to continue these taxes unchanged in times of depression, despite the decrease in the owner's income, places undue drag upon that segment of the community in which real estate is the chief property item. Decreasing prices and decreasing income result in an increasing burden upon property owners, both in rural and urban communities, which is now becoming almost unbearable. The tax burden upon real estate is wholly out of proportion to that upon other forms of property and income. There is no farm relief more needed today than tax relief, for I believe it can be demonstrated that the tax burden upon the farmer today exceeds the burden upon other groups.

With view to making a suggestion that may be timely to this subject—that is, the conflict between methods of taxation in different segments of government and consideration of the whole question of distribution of the burden of taxation, it seems to me urgent that we should, all of us, through our financial officers give renewed examination to

this subject in the light of conditions today and by exchanges between them reconsider the possibilities of the whole problem of better coordination, greater simplicity, and above all, better adjustment of the burdens among our people.

Gentlemen, the purpose of my address is to express a desire for greater cooperation and coordination of our mutual problems. Just as you are meeting here today to develop helpful action out of common experience, I take the liberty of suggesting to you that similar conferences and examination of problems by the executives of your local governments in each State would be productive of useful results. It would help toward a realization that local expenditures and taxes are a part of a great national problem in stability as well as one of local concern. It would contribute to their resolution to bring about constructive economy and cooperation.

We, as executives, all agree upon the absolute necessity in the interest of the Nation as a whole of reduced expenditures, of better distributed taxation, of balanced budgets. Our town councils, our county commissions, our State legislatures, and the Congress agree upon these fundamentals. That is the sure highway toward national recovery. But to accomplish these things we must have the intelligent support of the people themselves, that selfish vested interest and vested habit do not, by their organized sectional and group oppositions or individual action, defeat these high purposes.

Especially do I take this occasion to pay tribute to the courage shown by our public officials, both executive and legislative, in these problems. Their task is no light responsibility. This duty offers no rosy path to popularity. Rather, it is one to invite the anger of established interests. With the utmost care that can be exercised by the executive officers and the legislators throughout the Nation, and with the utmost goodwill, it is bound to cause individual hardship and to grieve the friends of many worthy causes. Nevertheless, the duty is inexorable, and its discharge rests inescapably upon all public officers. Its final results will redound to the general public benefit. Therefore, I say to the public: Be patient, be helpful, recognize the complexity and the difficulty of the problem before these servants of your combined public interest. Support them

in their task, for upon its successful conclusion depends a most momentous contribution to our united security, our hope of an early return to stability, and the common welfare of every man, woman, and child in our Nation.

NOTE: The President spoke at 2:15 p.m. to a special session of the 24th Conference of Governors, meeting in the John Marshall Hotel in Richmond, Va. The address was broadcast nationally.

138

Veto of a Bill Relating to Veterans' Pensions.

April 27, 1932

To the House of Representatives:

I am returning without approval H.R. 9575, entitled "An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and so forth, and to certain soldiers and sailors of wars other than the Civil War and to widows of such soldiers and sailors."

The bill contains a total of 367 items establishing special pensions and increased allowances to persons who have not been able to comply with the general laws. The bill contains many meritorious cases and a just recognition of their equities which can not be reached under these laws. I regret exceedingly, however, that I must withhold approval of the bill because of the number of cases which I do not deem worthy of public bounty. Most of these undeserving cases have been previously rejected by the Pension Bureau as having no sound basis upon which to construe any obligation in equity for the granting of special benefits.

As I do not wish to reflect upon any individual, I cite some instances in the bill without mentioning names, the facts as to which have been furnished to me by the Government agencies. And I may state that these are only examples and do not include the whole of the list which I believe would be excluded if the matter were reconsidered by the Congress. Such instances comprise—

A proposed pension for a man who was court-martialed for drunkenness and conduct prejudicial to good order, sentenced to six months' confinement, and whose conduct during confinement was so bad that he was finally discharged without honor for the good of the service.

A proposed pension to a man who was discharged without honor because of chronic alcoholism.

A proposed pension to a widow whose claim was filed five years after the death of the veteran, and upon call having been made for evidence of legal widowhood, claimant abandoned her claim for a period of 25 years. A recent investigation indicates claimant was never the legal wife of the soldier.

A proposed pension to a man guilty of desertion and dishonorably discharged.

A proposed pension to a man shown to have been a deserter, to have been punished by confinement, and discharged without honor.

A proposed pension to a man for self-inflicted injuries incurred in attempted suicide.

A proposed pension to a man who was tried for desertion, convicted of absence without leave, and honorably discharged, having been found to have been mentally deficient, a condition that antedated his enlistment. There was no disability relating to service on which Federal pension should be granted.

A proposed pension to a would-be suicide, no disability relating to service on which Federal pension should be granted being indicated.

A proposed pension for a widow whose husband gave eight days' service, with no disability relating to the service.

A proposed pension to a man who still suffers from a wound in the throat self-inflicted with a razor, with no disability relating to the service.

A proposed pension for loss of a leg as the result of being struck by the fender of a street car while claimant was lying on the track in a completely intoxicated condition.

A proposed pension to a widow whose husband had only nine days service in a State militia, for which reimbursement was made by the United States; no disability relating to service being found.

A proposed pension to a man who spent most of his service in the hospital, and was discharged without honor because of diseases not contracted in line of duty; was shown to have been guilty of malingering by taking soap pills to aid him in appearing anemic, and was recorded to have remarked that he knew how to play it and proposed doing it as long as he could. His physical condition was not the result of service.

A proposed pension to a man discharged without honor because of diseases not contracted in the service in line of duty. His condition not being one upon which Federal benefits should be based.

I could add other instances, but it seems to me that even this number which appear neither to have law nor equity to justify them, warrants a revision of the bill, and that a larger dependence should be placed upon reports which are easily obtainable from the Pension Service.

HERBERT HOOVER

The White House,
April 27, 1932.

NOTE: The House of Representatives referred the bill to the Committee on Pensions on May 3, 1932.

139

Message to Emperor Hirohito of Japan on His Birthday.
April 29, 1932

I EXTEND to Your Imperial Majesty cordial birthday greetings and best wishes for your continued happiness and well being.

HERBERT HOOVER

[His Majesty Hirohito, Emperor of Japan, Tokyo, Japan]

140

Statement on National Hospital Day.

May 1, 1932

THE UNITED STATES is blessed above all of the nations in the number, variety and excellence of its hospitals. Nowhere is private generosity and public wisdom better expressed than in the support of these institutions for the alleviation of human suffering.

The hospitals are meeting an unusual demand upon their facilities this year, especially in the field of free service. It is, therefore, especially appropriate to call to the attention of all the people that May 12th is National Hospital Day, and to recommend that wherever possible our people on that day visit the hospitals and familiarize themselves with their splendid service to their community.

HERBERT HOOVER

141

Message to the American Conference of Institutions
for the Establishment of International Justice.

May 2, 1932

[Released May 2, 1932. Dated March 26, 1932]

Members of the American Conference on Institutions for the Establishment of International Justice:

It is highly gratifying that the American Peace Society has invited you, as friends of international order, to confer this week in Washington on questions relating to the further establishment of international justice.

From the beginnings of history, human beings have turned to justice as the safeguard of their inalienable rights to life, liberty, and the pursuit of happiness. Impartial justice has offered mankind its most certain escape from arbitrary power. Justice is also the safest cornerstone upon which peoples may erect their entire social organization.

Now that nations have to function with more and more regard for the views and interests of one another, a constant attention to the processes of justice is vitally necessary. Experience proves that in every civilized people there is an abiding faith in fair play, in common honesty, in the possibility of lessening reasons for irritation and complaint; a devotion to elevated purposes of right, to laws, and to impartial courts. The only assurance of the equal protection of all in the enjoyment of their rights is justice; and, with justice assured, nations would have little to fear for their safety or their peace.

If, in your special commissions and in your general conference, you can help to promote institutions for the establishment of a more adequate and more effective international justice, you will earn high praise.

I greet you most cordially, and I wish for you success and those abiding satisfactions which inevitably come from all unselfish efforts in behalf of our common country and our common humanity.

NOTE: James Brown Scott, a prominent international lawyer, read the message to the opening session of the conference. Assembled under the auspices of the American Peace Society, the conference met from May 2 to May 4, 1932, in the Chamber of Commerce Building in Washington, D.C.

142

Message to the George Washington Bicentennial Commission
of the New York Board of Jewish Ministers.

May 2, 1932

[Released May 2, 1932. Dated April 30, 1932]

IT IS INDEED appropriate that an outstanding celebration of the George Washington Bicentennial should be that given under the auspices of the New York Board of Jewish Ministers, for Washington's reverent practice of religion was united with a profound belief in religious liberty, and his character offers an exalted evidence of the power of religious faith and discipline in strengthening and ennobling mankind in the midst of the most active practical concerns.

HERBERT HOOVER

[Dr. Israel Goldstein, Chairman, George Washington Bicentennial Commission of the New York Board of Jewish Ministers, 270 West 89th Street, New York City]

NOTE: The message was read at a bicentennial celebration sponsored by the board and held in the Synagogue of the Congregation Shearith Israel, the oldest Jewish congregation in the United States.

143

Message to President Ignacy Moscicki
on Polish National Day.

May 3, 1932

I EXTEND to Your Excellency my hearty greetings on this Constitutional Day of Poland and the assurances of the good will which the Government and people of the United States bear for the Republic of Poland.

HERBERT HOOVER

[His Excellency Ignacy Moscicki, President of the Republic of Poland, Warsaw]

NOTE: Polish National Day celebrated Polish independence under the Third of May Constitution of 1791.

144

Message to the National Foreign Trade Council.

May 4, 1932

[Released May 4, 1932. Dated May 3, 1932]

PLEASE EXTEND my cordial greetings to the Nineteenth National Foreign Trade Convention and the Ninth Pacific Foreign Trade Convention in joint conference in Honolulu. The work of these foreign trade conventions is an example of sound cooperative leadership and is of outstanding value at this juncture. It is especially appropriate that our foreign traders meet with our friends and neighbors from Canada and across the Pacific Ocean to devise means of coordination in the

[145] May 4 *Public Papers of the Presidents*

great enterprise of international trade. At the cross-roads of the Pacific, with whose shores the destiny of mankind is becoming each year increasingly concerned, your service to American foreign trade will be notably advanced by this important meeting.

HERBERT HOOVER

[James A. Farrell, Chairman, National Foreign Trade Council, Royal Hawaiian Hotel, Honolulu, Hawaii]

NOTE: The message was read to the opening session of the joint conference, held in the Royal Hawaiian Hotel in Honolulu, Hawaii. The conference was attended by business leaders from the United States, Australia, Canada, China, Hawaii, Japan, New Zealand, and the Philippines.

145

Message to the Association for Childhood Education.
May 4, 1932

[Released May 4, 1932. Dated May 2, 1932]

My dear Miss Abbot:

I will be obliged if you will express my cordial greetings to the Convention of the Association for Childhood Education, and my warm appreciation of their devoted work in behalf of the young children of our Nation. What they shall become will determine the character of our civilization and will shape the course of our national destiny. No more sacred obligation rests on us than to see that they are equipped to meet their responsibilities with sound bodies, developed minds and high ideals.

Yours faithfully,

HERBERT HOOVER

[Miss Julia Wade Abbot, President, Association for Childhood Education, 1201 Sixteenth Street N.W., Washington, D.C.]

192

NOTE: The message was read to the opening session of the convention, meeting in Washington, D.C., from May 4 to May 7, 1932. It was also printed in the June 1932 issue of *Childhood Education*.

146

Special Message to the Congress
on Budgetary Legislation.

May 5, 1932

To the Senate and House of Representatives:

I should not be discharging my Constitutional responsibility to give to the Congress information on the state of the Union and to recommend for its consideration such measures as may be necessary and expedient, if I did not report to the Congress the situation which has arisen in the country in large degree as the result of incidents of legislation during the past six weeks.

The most essential factor to economic recovery today is the restoration of confidence. In spite of the unquestioned beneficial effect of the remedial measures already taken and the gradual improvement in fundamental conditions, fear and alarm prevail in the country because of events in Washington which have greatly disturbed the public mind.

The manner in which the House of Representatives rejected both the revenue program proposed by the Treasury and the program unanimously reported by the Committee on Ways and Means; the character of the tax measures passed; the action of the House which would increase governmental expenditure by \$132,000,000 for road building; the action further to enlarge expenditures in non-service connected benefits from the Veterans' Bureau at the very time when the House was refusing to remedy abuse in these same services; the virtual destruction of both the national economy program proposed by the Executive officials and the program of the Special House Committee on Economy; the failure of the House to give adequate authority for early reduction of government bureaus and commissions; the passage of legislation by the

House placing burden of impossible execution upon the Federal Reserve System over the protest of the Federal Reserve Board; the threat of further legislation looking to uncontrolled inflation¹—have all resulted in diminishing public confidence and offsetting the constructive, unified efforts of the Executive and the Congress undertaken earlier in the year for recovery of employment and agriculture.

I need not recount that the revenues of the Government as estimated for the next fiscal year show a decrease of about \$1,700,000,000 below the fiscal year 1929 and inexorably require a broader basis of taxation and a drastic reduction of expenditures in order to balance the budget. Nothing is more necessary at this time than balancing the budget. Nothing will put more heart into the country than prompt and courageous and united action in enacting the legislation which this situation imperatively demands, and an equally determined stand in defeating unwise and unnecessary legislation.

Most expeditious action is necessary if the revenues, appropriations, economy legislation and a balanced budget are to be attained before the beginning of the new fiscal year on July 1st next.

The details and requirements of the situation are now well known to the Congress and plainly require:

1. The prompt enactment of a revenue bill adequate to produce the necessary revenue and so designed as to distribute the burdens equitably and not to impede economic recovery.
2. A drastic program of economy which, including the savings already made in the Executive budget of \$369,000,000, can be increased to exceed \$700,000,000 per annum. Considering that the whole Federal expenditure, except about \$1,700,000,000, is for uncontrollable obligations this would represent an unprecedented reduction. Such a program, to accomplish its purpose, must embrace the rejection of all measures that increase expenditures unless they be for undoubted emergency; the reduction in appropriations now pending below the figures submitted in

¹The President referred to the following bills: the revenue bill (H.R. 10236), the Almon bill (H.R. 9642), the Rankin bill (H.R. 8578), the economy bill (H.R. 11267), the Goldsborough bill (H.R. 11499), the Patman bonus bill (H.R. 7726), and the Lewis relief bill (H.R. 8088).

the Executive Budget on December 9th last; a reconsideration of the legislation covering those economy projects which require repeal or amendment to the laws; and an effective grant of authority to the Executive to reorganize and consolidate and eliminate unnecessary government bureaus and establishments.

REDUCTION OF DIRECT APPROPRIATIONS

In the category of appropriations within the authority of the Appropriation Committees those Committees have given some months to devoted consideration of the Executive Budget, which as I have said in itself carried a reduction of \$369,000,000 below the expenditures of the current year. Considering the situation in the country and a study of the results so far attained by the committees, together with a review by the Executive Officials, I am convinced that, subject to the inclusion of conditions mentioned later, a reduction of at least \$230,000,000 below the Executive Budget can be made in the supply bills (of which some \$70,000,000 or \$80,000,000 may be the subject of deficiency bills at the next session). In order to effect these economies, to preserve the efficiency of the Government, and to assure the humane treatment of government employees, authority must be given to meet emergencies which may arise from such close budgeting by the transfer of not to exceed 15% of any appropriation to any other appropriation within the same Department, provided no appropriation is increased more than 15% but subject to the approval of the Director of the Budget; and to suspend the leave with pay so that the five-day week and its equivalent to salaried employees can be installed where necessary.

With the reduction proposed in the original budget, together with the further reductions here proposed, it will be necessary to discharge 50,000 to 100,000 employees, unless we divide the remaining work of the Government amongst the whole of its employees just as has been done in industry. I know of nothing more inhuman in the present situation than for the Government to add to the pool of unemployment and destitution when it is entirely unnecessary and can be provided against

by the same measures which were undertaken by industry at the request of the Government itself nearly three years ago.

SPECIAL ECONOMY LEGISLATION

In the category of further economies which can only be made by changes in laws which would give authority to the Executive and the Appropriations Committees, many items were proposed by Executive Officers of the Government, and some portion of them were embodied in the bill presented by the Special Economy Committee to the House of Representatives. Less than \$30,000,000 direct and definite savings were covered in the bill which finally passed the House. Many of the indeterminate and indirect savings in that legislation cannot be realized until late in the new year or after that.

Many of the recommendations which were rejected by the House of Representatives should again be considered. Aside from the economy proposals affecting employees which are here included in the above discussion of the Supply Bills, there are opportunities to increase the direct savings provided for in the House Economy Bill from \$30,000,000 to from \$130,000,000 to \$150,000,000, plus many indeterminate items which would result in further economies.

These savings would be over and above the amounts of savings referred to in the direct appropriations. Without going into the merits or demerits of the proposals, they do represent the correction of abuses and the curtailment of unnecessary functions of the Government and embrace items that can be dispensed with during the present critical period.

CONSOLIDATION AND REDUCTION OF BUREAUS

In the category of economies that can be made by consolidation, reorganization, and elimination of the less necessary bureaus, commissions, etc., the authority given in the measure passed by the House of Representatives is so restricted that it cannot be made effective until late in the next fiscal year. In order to expedite this economy, I earnestly recommend that the Executive be authorized to proceed immediately in the consolidation of Public Works, and Personnel, partly provided in

the House Economy Bill, Public Health, Merchant Marine, Conservation, Education, Munitions manufacture, Army and Navy hospitals, aviation fields, and other specific Army and Navy activities which may advantageously be consolidated for the purpose of economy and more effective administration. The savings to be made are indeterminate but very considerable. If made by Executive action within the above direction from the Congress they can be made promptly.

CONCLUSION

The imperative need of the nation today is a definite and conclusive program for balancing the budget. Uncertainty is disastrous. It must be in every sense a national program. Sectional, partisan, group, or class considerations can have no place in it. Ours is a government of all the people, created to protect and promote the common good, and when the claims of any group or class are inconsistent with the welfare of all, they must give way. Various groups and sections of the country have brought insistent and delaying pressures to bear for the adoption or rejection of various projects which would yield great economy and revenue. They have not realized that sacrifice by all groups is essential to the salvation of the nation. They have not recognized the gravity of the problems with which we are confronted. They apparently do not know that by their actions they are imposing losses on members of their own groups and sections through stagnation, unemployment, decreased commodity prices, far greater than the sacrifices called for under these suggestions. The government cannot be dictated to by organized minorities. Such action will undermine all popular government. I know that these actions do not reflect the will of the country, and I refuse to believe that the country is unable to reflect its will in legislation.

In conclusion, let me urge the national necessity for prompt and resolute and unified action, keeping constantly in mind the larger aspects of the problem and that the necessity for these measures is born of a great national emergency. If such a program should be agreed to by the leaders and members of both Houses it would go far to restore business,

employment and agriculture alike. It would have a most reassuring effect on the country.

HERBERT HOOVER

The White House,
May 5, 1932.

147

The President's News Conference of
May 6, 1932

BALANCING THE BUDGET

THE PRESIDENT. The issue before the country is the reestablishment of confidence and speed towards recovery by ending these delays in balancing the budget through immediate passage of the new measures for reduction of Government expense. That is not a partisan issue. It was one of the most important steps in the nonpartisan program for restored stability that was proposed by me and patriotically accepted by the leaders of both political parties last December. Effective programs, projects, estimates, and possibilities for both economy and revenue have been presented and are known in every detail.

This is not a controversy between the President and the Congress or its Members. It is an issue of the people against delays and destructive legislation which impair the credit of the United States. It is also an issue between the people and the locust swarm of lobbyists that haunt the Halls of Congress seeking selfish privilege for special groups and sections of the country, and misleading Members on the real views of the people by showers of propaganda.

What is urgently required is immediate action upon and conclusion of these questions. This is a serious hour which demands that all elements of the Government and the people rise with stern courage above partisanship to meet the needs of our national life.

NOTE: President Hoover's two hundred and forty-sixth news conference was held in the White House at 4 p.m. on Friday, May 6, 1932.

On the same day, the White House issued a text of the President's statement about balancing the budget (see Item 148).

148

Statement About Balancing the Budget.

May 6, 1932

THE PRESIDENT said:

"The issue before the country is the reestablishment of confidence and speed toward recovery by ending these delays in balancing the budget through immediate passage of revenue measures and reduction of Government expenditures. It is not a partisan issue. This was one of the most important steps of the nonpartisan program for restoring stability proposed by me and patriotically accepted by the leaders of both political parties last December. Effective programs, projects, estimates, and possibilities for both economy and revenue have been presented and are known in every detail.

"This is not a controversy between the President and Congress or its Members. It is an issue of the people against delays and destructive legislation which impair the credit of the United States. It is also an issue between the people and the locust swarm of lobbyists who haunt the Halls of Congress seeking selfish privilege for special groups and sections of the country, misleading Members as to the real views of the people by showers of propaganda.

"What is urgently required is immediate action upon and conclusion of these questions. This is a serious hour which demands that all elements of the Government and the people rise with stern courage above partisanship to meet the needs of our national life."

149

Message to President Paul Doumer of France

About an Assassination Attempt.

May 6, 1932

THE INTELLIGENCE of the attempt upon Your Excellency's life at the hands of a dastardly assassin shocks and saddens me. My fellow countrymen join with me in silent prayer for a speedy recovery that

your life may be spared for many years to the country which you have served with such loyalty and zeal.

HERBERT HOOVER

[His Excellency Paul Doumer, President of the French Republic, Paris, France]

NOTE: On May 6, 1932, Paul Gorguloff, a Russian emigré, shot the French President. M. Doumer died of his wounds on May 7.

150

Message to Prime Minister André Tardieu of France
on the Death of President Paul Doumer.

May 7, 1932

I AM GRIEVED beyond expression to learn of the death of President Doumer. The great grief of France is shared by all the United States and my fellow countrymen join with me in extending to you and the French people sincere sympathy in their sorrow. I beg of you to convey to the family of President Doumer Mrs. Hoover's and my own heart-felt condolences in their bereavement.

HERBERT HOOVER

[His Excellency André Tardieu, President of the Council of Ministers of France, Paris, France]

151

Message to the Princeton Alumni Weekly
Honoring John Grier Hibben.

May 7, 1932

[Released May 7, 1932. Dated February 24, 1932]

PRESIDENT John Grier Hibben's distinguished service in the cause of education will long remain in the memory of the Nation and in the gratitude of those whose lives he has helped to direct and enrich.

200

NOTE: The message was printed in a special issue of the Princeton Alumni Weekly. The issue was devoted to the career of Dr. Hibben, president of Princeton University from 1912 until his retirement in June 1932.

152

Veto of a Bill To Confer Certain Benefits
on Civilian Employees of the Quartermaster Corps.
May 9, 1932

To the House of Representatives:

I am returning without approval H. R. 4724, entitled "An Act to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes."

This bill is identical with H. R. 6997, 71st Congress, 3rd session, from which I withheld approval for the reasons set forth in my message to the House of Representatives, of February 23, 1931, printed as House Document No. 778. Nothing has transpired since that date which would justify me in now approving this bill.

I cannot concur in a proposal to single out one class of civilian employees who served during certain periods of hostilities and confer upon them a right to the benefit of hospitalization and domiciliary care provided by law for veterans of our wars. Such proposal would be establishing a precedent which, in all justice, would call for similar legislation in behalf of other civilians. It would ultimately involve the government in hundreds of millions of expenditures by the usual accretions of wider spread inclusions of new and borderland groups. I am not unmindful of the value of the service rendered by these civilian components, but I do not feel that they should be made beneficiaries of the laws which have been enacted to care for our veterans—those who served under enlistments, enrollments or commissions in the Army and Navy. Our first obligation is to these veterans and we should certainly not now

[153] May 9 *Public Papers of the Presidents*

reduce the availability of the hospital and home facilities which have been provided for them by throwing such facilities open to civilians.

HERBERT HOOVER

The White House,
May 9, 1932.

NOTE: The House of Representatives referred the bill to the Committee on Pensions on May 9, 1932, and no further action was taken.

For the President's veto of H.R. 6997, see 1931 volume, Item 72.

153

Message to the Museum of Modern Art.
May 9, 1932

[Released May 9, 1932. Dated May 4, 1932]

SINCE THE CENTENNIAL at Philadelphia in 1876 the progress made by American artists and the advance in public taste have given to the United States a standing in the universal world of art. In this movement the government is playing a large part by providing for works of the fine arts to commemorate historic events and personages. Thus there is a demand for artists not only trained technically but also imbued with knowledge of American history, and inspired to interpret American ideals in such convincing manner as to foster love of country and emulation of heroic deeds.

The establishing of the Museum of Modern Art opens wide opportunities for appreciation by the public of the trends of the times in the fine arts, and also for friendly emulation among contemporary artists of all countries.

HERBERT HOOVER

[Mr. A. Conger Goodyear, President, the Museum of Modern Art, New York City]

NOTE: The message was read during a radio program announcing plans for cooperation between the Metropolitan Museum of Art and the Museum of Modern Art.

202

154

The President's News Conference of
May 10, 1932

THE PRESIDENT. I have nothing for quotation this morning. I thought I might give you a little background about what is going on and what we are hoping for.

BUDGETARY LEGISLATION

The negotiations over the weekend¹ developed a very encouraging unity of action from the leaders of both political parties in the Senate, and gives great hopes for rapid movement in settlement of the revenue bill and the proposals for establishing a new economy committee, which I understand is to be a subcommittee of the Appropriations Committee. It will give an opportunity for a reduction of all of the appropriations, together with the economy program. When I refer to economy program I refer to the special authorities which are required by legislative act in order to make reductions in the budget possible. It will enable us to reintroduce to the Congress, or at least perhaps to the committee, the larger measures of special legislation which are required in order to enable substantial further reductions to be made in the budget; and enables us to set our sails again towards something in the neighborhood of \$700 million, that is including the \$360 million which we made in the reductions in the executive budget last December.

There is always some misunderstanding on these problems of economy and the methods of arriving at it. I notice that the press outside of Washington in particular has not grasped the fact that neither the Appropriations Committee nor the Executive can affect appropriations in certain directions when there must be special legislation. There is a constant confusion between the action by the Appropriations Committee and action on a definite piece of legislation giving the necessary authorizations and repealing requirements of one kind or another under the laws. So that we have two distinct directions of economy—one of

¹ The President referred to weekend conferences with the Republican leadership of the Senate and the Republican members of the Senate Appropriations Committee.

them is by reduction of appropriations so far as it is possible within the authorities, and the other, the new authorizations on which reductions can be based.

The other item of great encouragement is the definite death and burial of the bonus in the House Ways and Means Committee.² In fact, the pressing problem before the country is the immediate balancing of the budget by coordinated action in revenue legislation and the settlement of appropriations and authorities by which we may reduce the expenditures on all directions. There is nothing that will more relieve the fear and apprehension and strangulation which have been increasing steadily since the 10th of March, when the Ways and Means Committee proposals began to break down in the House. And I have the feeling that all of the country has recovered courage from the evidence of the Senate taking hold of the program promptly and going along with it.

Otherwise, I haven't anything new today.

NOTE: President Hoover's two hundred and forty-seventh news conference was held in the White House at 12 noon on Tuesday, May 10, 1932.

On the same day, Senator Wesley L. Jones, Chairman of the Appropriations Committee, appointed members to the bipartisan Senate Committee on Economy. On May 11, the new committee, a subcommittee of the Appropriations Committee, met with the President at a breakfast conference. Attending the breakfast were Senators Wesley L. Jones, Hiram Bingham, L. J. Dickinson, James F. Byrnes, Sam G. Bratton, and Kenneth McKellar, Secretary of the Treasury Ogden L. Mills, Director of the Budget J. Clawson Roop, and Secretary to the President Walter H. Newton.

155

Veto of a Bill To Amend the Tariff Act of 1930.

May 11, 1932

To the House of Representatives:

I am returning without my approval H. R. 6662, entitled "An act to amend the tariff act of 1930 and for other purposes."

² On May 7, the committee filed an adverse report on the Patman bonus bill (H.R. 7726).

My first objection to the bill is the misimpression and uncertainty it may convey as to its purpose. If the purpose of the proponents of this act is to secure lower tariffs on the 35 per cent of our imports which are not on the free list it would seem that the direct and simple method of so doing would be to recognize that tariffs are duties applied to particular commodities, and to propose definite reduction of the duties on such particular commodities as are believed to be at fault and upon which the full facts can be developed. Alternatively, the Congress is able to direct the Tariff Commission under the "flexible" provisions of the act of 1930 to act upon such schedules as are believed to be too high.

As a matter of fact there never has been a time in the history of the United States when tariff protection was more essential to the welfare of the American people than at present. Prices have declined throughout the world, but to a far greater extent in other countries than in the United States. Manufacturers in foreign countries which have abandoned the gold standard are producing goods and paying for raw materials in depreciated currency. They may ship their goods into the United States with great detriment to the American producer and laborer because of the difference in the value of the money they pay for their raw materials and the money they receive for their finished products. Under such conditions it is imperative that the American protective policy be maintained. If the intent or the effect of the proposed bill is to remove the possibility of executive action or to reduce tariff protection there never was a time more inappropriate on account of widespread domestic unemployment and the possibilities which lie before us.

The second objection to the bill is that it practically destroys the "flexible" tariff through the removal of executive authority to render conclusions of the Tariff Commission effective. This bill would again reduce the Tariff Commission to a purely advisory body to the Congress, and thus defeat a reform so earnestly sought ever since its first advocacy by President Roosevelt and finally fully realized in the tariff act of 1930. By the act of 1930 the principle of a "flexible" tariff based upon determinations by a bipartisan commission, subject to approval of the

Executive, was firmly and effectively established. Beyond the ability to change the duties by 50 per cent there lies within the provisions the development of the definite principle of preference of the home market for American industry, workmen, and agriculture, based upon the difference of cost of production at home and abroad, plus transportation to the principal markets. This open process, upon the application of any responsible party, is an assurance against either excessive duties or non-protective tariffs upon dutiable goods.

The broad purpose of the present form of executive action upon the "flexible" provision is promptly to remedy inequities and injustices in the tariff as they may be discovered; to prevent any tariff system being frozen upon the Nation despite economic shifts; and by providing this flexibility to meet changing economic conditions, greatly to lessen the necessity for periodic general revision of the tariff with its disturbance to economic life and its orgy of politics and log rolling. The "flexible" provision has, since the act of 1930, proved its high usefulness in these particulars. The commission has completed or has in progress investigations covering 291 different articles. Of those which come under the "flexible" provisions, the recommendations were for no change in about 54 per cent of the cases, increases in 16 per cent, and decreases in 30 per cent, which were placed in effect within a few days. This effective "flexible" tariff as a protection to sound progress and for the future protection of our farmers, workmen, industries, and consumers, should be maintained in our American system. The proposal in the bill under consideration will effectively destroy it and is a step backward.

Under the present law the Congress has the benefit of the advisory functions of the Tariff Commission, upon which it can act at any time. If this bill is to have any practical result by reserving to the Congress incidental or occasional readjustment of the tariff it simply opens the way for log rolling every time Congress is called upon to consider a report of the Tariff Commission recommending any specific change in rates or schedules. In an effort to avoid this obvious objection, the act attempts to limit Congress, in legislating upon the recommendations of the commission, to the specific items included in the report.

But no Congress can bind another Congress in any such manner, relating as it does to a question of legislative procedure.

My third objection to the bill lies in the conditions stipulated for action in an international conference which it is proposed should be called to deal with trade questions. I wish to say at once that I am in fullest accord with the proposal for an international action or conference to "eliminate discriminatory and unfair trade practices," "preventing economic wars," and "promoting fair, equal, and friendly trade and commercial relations among nations." The American Government has participated in several international economic conferences for these identic purposes since the Great War. They have resulted in very little accomplishment.

But the objectives proposed in this bill for such a conference are not limited to the constructive purposes above mentioned. Some of the proposals in the bill for such a conference raise questions of futility or alternatively of abandonment of essential American policies. The first legislative act of Washington's administration was a tariff bill. From that day to this, one of our firm national policies has been that tariffs are solely a domestic question in protection of our own people. It is now proposed that an international conference should be called with view to "lowering excessive tariffs." The very implication of calling other nations into conference with view to changing our tariff duties is to subject our tariffs to international agreement.

For myself I hold that any inequalities or excessive duties in the American tariff can be corrected through the flexible provisions of the present tariff law. If other nations should adopt this principle and such an instrumentality it would automatically remove excessive duties and unequal treatment throughout the world without interference with domestic control of tariff policies.

If the meaning of the Congress is that such a conference should discover and negotiate the elimination of particular excessive duties throughout the world, then I do not need to elaborate upon the direction in which such action leads for it means simply attempting the futility of negotiating a world tariff amongst 60 or 70 nations subject to confirmation of their legislative bodies. If on the other hand what

the Congress means is to undertake a general lowering of American tariffs in exchange for lowering of tariffs elsewhere in the world, and if the Congress proposes to make such a radical change in our historic policies by international negotiation affecting the whole of American tariffs, then it is the duty of the Congress to state so frankly and indicate the extent to which it is prepared to go.

I am fully alive to the effect on our own and world commerce of the many arbitrary restrictions now in existence. The Departments of State and Commerce are actively engaged in protecting our export trade from unfair discriminations and infractions. If at any time circumstances are such as to permit the hope that such barriers to international trade and commerce may be removed through the medium of an international conference without sacrificing American interests or departing from the historic policies followed by our country, I shall not hesitate to take the lead in calling such a conference.

If this measure is intended to do more than this, then the new policy should be clearly indicated for clarity to the American people and for the guidance and judgment of the Executive. An established national policy should not be changed by implication.

My fourth objection to the bill lies in the further request that I should "negotiate with foreign governments reciprocal trade agreements under a policy of mutual tariff concessions." This proposal is in direct conflict with the other proposals "to eliminate discriminatory tariffs; prevent economic wars; and promote fair, equal, and friendly trade," all of which latter are desirable.

A firmly established principle of the American tariff policy is the uniform and equal treatment of all nations without preferences, concessions, or discriminations (with the sole exception of certain concessions to Cuba). No reform is required in the United States in this matter, but we should have at once abandoned this principle when we enter upon reciprocal concessions with any other nation. That is at once unequal treatment to all other governments not parties thereto. That is the very breeding ground for trade wars. This type of preferential tariff agreement which exists abroad to-day is one of the primary causes of trade wars between other countries at the present moment.

It has been the policy of our Government for many years to advance "most-favored-nation" treaties with view to extinguishing these very processes, preferences and trade frictions and to secure equal treatment to us by the other nations in all their tariff and economic arrangements. We have such treaties or executive agreements with 31 nations. If we adopted this complete reversal of policies and now negotiated reciprocal tariff agreements we should either under our "most-favored-nation" obligations need extend these rights to all nations having such treaties with us, or to denounce such treaties.

The struggle for special privileges by reciprocal agreements abroad has produced not only trade wars but has become the basis of political concessions and alliances which lead to international entanglements of the first order. These very processes are adding instability to the world to-day, and I am unwilling to enter upon any course which would result in the United States being involved in such complexities and such entanglements.

Of high importance to us, also in consideration of these matters is that the principal interest of a majority of the 60 or 70 other nations which might be approached for mutual tariff concessions would be to reduce the American agricultural tariffs. No concessions otherwise than those related to agricultural products would be of any importance to those particular nations. The effect of such a shift in the basis of our agricultural tariffs would be to make us large importers of food products, to demoralize our agricultural industry and render us more and more dependent upon foreign countries for food supply; to drive our farmers into the towns and factories, and thus demoralize our whole national economic and social stability.

Moreover, the futility of the Executive negotiating such treaties as reciprocal tariffs has been often demonstrated in our past. Before we definitely adopted the policy of equal treatment to all nations the Congress had from time to time authorized such treaties. Out of some 22 such treaties providing for reciprocal tariff concessions, the Congress either refused to confirm or failed to act in 16, and 2 of the remaining 6 failed of confirmation by other governments. On another occasion the Congress conferred upon the Executive a limited authority to conclude

reciprocal or preferential tariffs without confirmation. Twenty-two such agreements were entered upon, all of which were repealed in subsequent tariff acts. The experience would not seem to be encouraging for this type of action.

There are other objections which might well be taken to this bill. It is enough, however, that this bill would destroy the effectiveness of the flexible tariff which for the first time gives protection against excessive or inadequate tariffs, prevents a system of frozen tariffs upon the country irrespective of economic change and gives relief from log rolling and politics in tariff making. It would surrender our own control of an important part of our domestic affairs to the influence of other nations or alternatively would lead us into futilities in international negotiations. It would start our country upon the road of a system of preferential tariffs between nations with all the trade wars, international entanglements, etc., which our country has sought to avoid by extending equal treatment to all of them.

HERBERT HOOVER

The White House,
May 11, 1932.

NOTE: The House of Representatives sustained the President's veto on May 11, 1932.

156

Statement on a Meeting With
Senate Minority Leader Joseph T. Robinson.
May 12, 1932

THE PRESIDENT said:

"At a conference this morning, the President and Senator Robinson canvassed the plan of Senator Robinson and the plans of the President to provide for relief and to stimulate enlarged employment. Methods were considered of combining, simplifying, and putting into concrete form the different proposals so as to secure united nonpartisan and immediate action and not to delay completion of the work at this session.

“The President expressed his high appreciation of Senator Robinson’s action in opening the way for unified action and his confidence that a solution will be found. It was agreed that the prerequisite of any plan is balancing of the budget.”

NOTE: On May 11, 1932, Senator Robinson had delivered a major address proposing the issuance of \$2,300 million in Federal bonds, the proceeds to be used for relief and self-liquidating public works. The plan had been developed in collaboration with Bernard Baruch.

The White House issued the statement following a morning meeting between the President, Senator Robinson, Secretary of the Treasury Ogden L. Mills, and Directors of the Reconstruction Finance Corporation.

157

Statement on the Economic Recovery Program.

May 12, 1932

THE PRESIDENT said:

The program for united action discussed by the President with Senators Robinson and Watson is as follows:

1. The policy steadfastly adhered to up to the present time has been that responsibility for relief to distress belongs to private organizations, local communities, and the States. That fundamental policy is not to be changed. But since the fear has arisen that existing relief measures and resources may prove inadequate in certain localities and to insure against any possible breakdown in those localities it is proposed that authority be granted to the Reconstruction Finance Corporation to assist such States as may need it by underwriting only State bonds or by loaning directly to such States as may not be in position temporarily to sell securities in the market. The funds so obtained to be used for relief purposes and the total limited to \$250 million or \$300 million.

The second part of the program contemplates providing the machinery whereby employment may be increased through restoring normal occupations rather than works of artificial character. Without entering the field of industrial or public expansion, there are a large number

of economically sound and self-supporting projects of a constructive replacement character that would unquestionably be carried forward were it not for the present situation existing in the capital markets and the inadequate functioning of the credit machinery of the country. They exist both in the field of public bodies and of industry. There is no dearth of capital, and on the other hand there is a real demand for capital for productive purposes that have been held in abeyance. The problem is to make the existing capital available and to stimulate its use in constructive capital activities. This involves under existing conditions resort to special machinery which is adapted to furnish the necessary element of confidence.

It is proposed to use the instrumentality of the Reconstruction Finance Corporation which has a nationwide organization by authorizing the Corporation either to underwrite or make loans for income-producing and self-sustaining enterprises which will increase employment whether undertaken by public bodies or by private enterprises.

In order to safeguard the program beyond all question, it is proposed that there must be proper security for the loans, that as said projects must be income-producing, that borrowers must have sufficient confidence to furnish part of the capital, and that the project must contribute to early and substantial employment.

It is proposed to provide the necessary funds as they are required by the sale of securities of the Reconstruction Corporation and its total borrowing powers to be increased up to \$3 billion. It is not proposed to issue Government bonds. It is hoped that this further process of speeding up the economic machine will not involve any such sum. But in view of the early adjournment of Congress, it is desirable to provide an ample margin.

It is necessary to sharply distinguish between the use of capital for the above purposes and its use for unproductive public works. This proposal represents a flow of funds into productive enterprises which is not taking place today because of abnormal conditions. These being loans on security and being self-liquidating in character do not constitute a charge against the taxpayer or the public credit. The issue of bonds

for public works, nonproductive of revenue, is a direct charge either upon the taxpayer or upon the public credit, the interest on which and the ultimate redemption of which must be met from taxation.

An examination shows that to increase Federal Government construction work during the next year beyond the amounts already provided for would be to undertake works of largely artificial character far in advance of public return and would represent a wasteful use of capital and public credit.

NOTE: The White House issued the statement following an evening meeting with Republican members of the Senate Banking and Currency Committee.

Earlier in the day, Senator Joseph T. Robinson and Senator James E. Watson presented the plan to Democratic and Republican leaders in separate meetings.

158

The President's News Conference of *May 13, 1932*

UNITY OF ACTION ON THE ECONOMIC RECOVERY PROGRAM

THE PRESIDENT. In respect to the various conferences we have had in the last day or two, I want to emphasize the fact that our job in the Government is to secure unity of action and to do our part in an unceasing campaign to reestablish confidence. That is fundamental to recovery. But the imperative and immediate step is to balance the budget, and I am sure the Government will stay on the job until that is accomplished.

When our people recover from frozen confidence, then our credit machinery will begin to function once more on a normal basis, and there will be no need to exercise the emergency powers already vested in any of our governmental agencies or the further extensions we are proposing for the Reconstruction Corporation. So that if by unity of action that these extensions of powers are kept within the limits I have proposed, they will not affect the budget, and they do not constitute a drain on the taxpayer. They constitute a temporary mobilization of timid capital for positive and definite purpose of speeding recovery.

I have no particular taste for such emergency action in the Government, but we are fighting economic consequences of overliquidation and unjustified fear as to the future of the United States. So that the battle is to set our economic machine in motion, and this emergency takes new forms and requires new tactics from time to time. We used such emergency powers to win the war, and we can use them to fight the depression, the misery and suffering from which is just as great as the war itself.

I have no further news at the moment.

NOTE: President Hoover's two hundred and forty-eighth news conference was held in the White House at 4 p.m. on Friday, May 13, 1932.

On the same day, the White House issued a text of the President's statement about unity of action on the economic recovery program (see Item 159).

159

Statement About Unity of Action
on the Economic Recovery Program.
May 13, 1932

THE PRESIDENT said:

"Our job in the Government is unity of action to do our part in an unceasing campaign to reestablish public confidence. That is fundamental to recovery. The imperative and immediate step is to balance the budget, and I am sure the Government will stay at this job until it is accomplished.

"When our people recover from frozen confidence then our credit machinery will begin to function once more on a normal basis, and there will be no need to exercise the emergency powers already vested in any of our governmental agencies or the further extensions we are proposing for the Reconstruction Corporation. If by unity of action these extensions of powers are kept within the limits I have proposed, they do not affect the budget. They do not constitute a drain on the taxpayer. They constitute temporary mobilization of timid capital for positive and definite purpose of speeding the recovery of business, agriculture, and employment.

"I have, however, no taste for any such emergency powers in the Government. But we are fighting the economic consequences of over-liquidation and unjustified fear as to the future of the United States. The battle to set our economic machine in motion in this emergency takes new forms and requires new tactics from time to time. We used such emergency powers to win the war; we can use them to fight the depression, the misery and suffering from which are equally great."

160

Statement on the Lindbergh Kidnaping.

May 13, 1932

THE PRESIDENT said:

"I have directed the law enforcement agencies and the several secret services of the Federal Government to make the kidnaping and murder of the Lindbergh baby a live and never to be forgotten case, never to be relaxed until those criminals are implacably brought to justice. The Federal Government does not have police authority in such crimes, but its agencies will be unceasingly alert to assist the New Jersey police in every possible way until this end has been accomplished."

NOTE: On the night of March 1, 1932, Charles Augustus Lindbergh, Jr., 20-month-old son of the famed aviator, was abducted from the Lindbergh home near Hopewell, N.J. On May 12, the boy's body was found in a wooded area less than 5 miles from the home.

161

Message to the Ladies' Home Journal on Homeownership.

May 13, 1932

[Released May 13, 1932. Dated March 12, 1932]

My dear Mr. Sherlock:

To possess one's own home, however small, is the hope of every family in our country. That is the American ideal, born of an exquisite

sentiment, nurtured by a long national tradition, and proved right by its innumerable practical advantages.

Many things have conspired to frustrate this hope to a lesser accomplishment than the welfare of the nation demands. The amazing speed of our industrial development has caused us to build cities faster than we could properly plan them. The result too often has been that our people have been overcrowded, improperly housed, denied the opportunity to own the home that each has dreamed should be his castle. Perhaps the wonder is that we have done as well as we have, under the circumstances. Nevertheless, we can and should now do better.

Financing of home ownership has not kept pace with improvement in design. Almost any other desirable possession can be purchased in installments on the basis of 25 per cent in cash and the balance secured on the property and somewhat upon the character of the buyer. A home and the home owner are the best credit risks in our country. There is no character credit comparable to a family struggling to own its home. But finance of homes too often continues on terms comparable to the credit extended by a pawnbroker. The family willing to work, save their money, apply the savings to payment for their house is not only a sound basis of credit but a sound basis for the nation. Every interest in life ties them to maximum effort to succeed. They must have credit upon terms adjusted to their little of cash and their much of character.

To advance the whole finance of homes whether they be in towns or on farms, I proposed to the Congress a measure to set up a Federal system of Home Mortgage Discount Banks, to which may belong building and loan associations, savings banks, desposit banks, farm loan banks, etc.

The broad purpose is to provide for the home owner a comparable background of stable credit with that we have already provided nationally for the business man through the Federal Reserve Banks and for the farmer through the Farm Loan Banks and the Intermediate Credit Banks. The plan and method is not to engage the new institutions in the business of providing direct loans but to give impulse, security and safety and lower interest rates to the already existing institutions,

especially the mutual institutions in order that they may extend the fullest measure of credit to would-be home owners.

There are certain emergency phases which render the creation of this system immediately desirable. Great numbers of people are losing their homes because of inability to secure renewal of their present short-term mortgages. They are losing their savings of years and undergoing irreparable hardships because of the inability of institutions to give them these renewals. Beyond this, despite everything that has been said, a canvass of the country shows that there are several thousand communities where there is today a need and demand for new homes which cannot be constructed for lack of credit. The immediate result of restoring credit facilities would be the resumption of a large amount of construction work, which is one of the most important keys to unlock the problem of unemployment.

This plan has found sympathetic support and endorsement of thousands of savings banks, building and loan associations, country bankers and, above all, from would-be home owners. I am in hopes it will have early enactment into law.

Yours faithfully,

HERBERT HOOVER

[Mr. Chesla C. Sherlock, Managing Editor, The Ladies' Home Journal, Philadelphia, Pa.]

NOTE: The message, prepared for publication in the magazine's June issue, was released to the press on May 13, 1932.

162

Message to the Southern Baptist Convention.

May 13, 1932

I WILL BE OBLIGED if you will express my cordial greetings to the Southern Baptist Convention now in session, and my deep appreciation of the importance to the national wellbeing of the service of the churches in the spiritual life of the nation. I do pray that the delibera-

[163] May 14 *Public Papers of the Presidents*

tions of your convention may be fruitful of wise counsels for the benefit of our country.

HERBERT HOOVER

[Dr. Arthur James Barton, c/o Southern Baptist Convention, St. Petersburg, Fla.]

NOTE: The message was read at the opening session of the organization's 77th annual convention which was held in St. Petersburg, Fla.

163

Message in Tribute to Samuel F. B. Morse.
May 14, 1932

I AM GLAD to open this world-wide centennial celebration of the invention of the Morse telegraphic code and of the electrical transmission of these signals. It is a source of pride to all Americans that the vast system of instantaneous communications by means of the electrical telegraph originated in the mind of an American, Samuel F. B. Morse, whose culture was an honor to his country and whose character was an inspiration to mankind.

HERBERT HOOVER

NOTE: The President initiated the centennial celebration of Morse's original conception of the electromagnetic recording telegraph by pressing a gold telegraph key in the White House which sent the message to an assembly in the Law Library of the Capitol, the same room from which Mr. Morse sent his first message in 1844.

164

Message to the National Congress
of the Sons of the American Revolution.
May 16, 1932

[Released May 16, 1932. Dated May 9, 1932]

My dear Mr. Van Orsdel:

I regret that the pressure of public duties will make it impossible for me to attend the opening session of the National Congress of the Society

218

of the Sons of the American Revolution. I will be obliged, however, if you will express my cordial greetings to the Congress and my wishes for a fruitful meeting.

Yours faithfully,

HERBERT HOOVER

[Mr. Josiah A. Van Orsdel, President General, National Society of the Sons of the American Revolution, 1227 Sixteenth St. N.W., Washington, D.C.]

NOTE: The message was read at the opening session of the national congress which met in Washington, D.C.

165

Message to the National Council
of the Boy Scouts of America.

May 16, 1932

IT IS INDEED most heartening to learn that such splendid progress was made by the Boy Scouts of America in the past year. The fact that you have notwithstanding unusual handicaps, been able to achieve such substantial progress in making your program available to an increased number of boys in response to the challenge which I gave to your Organization on the occasion of your meeting here in Washington in March 1930, is further evidence of the strength and vitality of Scouting in America. This is a great tribute to your leaders and especially to those who serve as Scoutmasters. Please convey to your leaders assembled for your Twenty-Second Annual Meeting and through them to your membership of now over nine hundred thousand men and boys my greetings and good wishes. It is highly important, particularly in these times, that the support of the public be maintained for our educational, social and character-building agencies and I am confident that your fine record will contribute to this end.

HERBERT HOOVER

[Walter W. Head, President, Boy Scouts of America, c/o Waldorf-Astoria Hotel, New York City]

NOTE: The message was read at a dinner meeting of the council which was held in the Waldorf-Astoria Hotel in New York City.

166

Message to the Lafayette College Conference
on the French Backgrounds of American Civilization.
May 17, 1932

[Released May 17, 1932. Dated May 9, 1932]

My dear Dr. Lewis:

I am deeply interested to learn of the conference at Lafayette College on French Backgrounds of American Civilization and of the historical pageant visualizing them. Not only French pioneering enterprise, but also French culture, have profoundly influenced American history and American thought. It is therefore most fitting that we should at times adequately recall them to the public memory.

Yours faithfully,

HERBERT HOOVER

[Dr. William Mather Lewis, President, Lafayette College, Easton, Pennsylvania]

NOTE: The message was read at the opening exercises of a 3-day pageant celebrating the centennial of the founding of the college. The exercises were held at Colton Memorial Chapel.

167

Message to the Conference of the National Association
for the Advancement of Colored People.
May 18, 1932

I AM PREVENTED by press of public duties from being present at the 23rd Annual Conference of the National Association for the Advancement of Colored People, and I have therefore requested the Secretary

of the Interior to convey this message of greetings to the Conference and to express my earnest hope that its deliberations may bear fruit in the wellbeing and advancement of the colored race in our country. Their progress in education, in wealth, in participation in agriculture, industry and civic life within the relatively short period since the Civil War, is an amazing story of courage and enterprise in which the colored people take a proper pride, and which their neighbors of other races view with satisfaction and admiration.

HERBERT HOOVER

NOTE: Secretary of the Interior Ray Lyman Wilbur read the message to the opening session of the conference which met in Washington, D.C.

168

Message to the Quadrennial General Conference
of the Methodist Episcopal Church.

May 19, 1932

[Released May 19, 1932. Dated May 18, 1932]

My dear Bishop:

I am deeply touched by your message from the Quadrennial General Conference of the Methodist Episcopal Church, and I thank you and them most warmly for this heartening thought. The organized spiritual forces of the people have a vital part in shaping the vision of the Nation at all times, and never more so than in periods of especial difficulty and strain. Please express my appreciation to the Conference.

Yours faithfully,

HERBERT HOOVER

[Rt. Rev. William F. McDowell, Hotel Dennis, Atlantic City, New Jersey]

NOTE: The message was in response to a message, dated May 17, 1932, expressing confidence in the President's leadership during a difficult and trying time in the Nation's history. The organization was meeting in the Municipal Auditorium in Atlantic City, N. J.

The President's News Conference of
May 20, 1932

NEW YORK BANKING AND INDUSTRIAL COMMITTEE

THE PRESIDENT. I am much gratified at the action taken in New York by which a joint committee has been appointed representing the financial and industrial leaders of that city, for the purpose, amongst other things, of securing that the expansion of credit facilities which have been made available through the Federal Reserve banks and the Reconstruction Corporation shall be translated directly to industry, employment, and agriculture. I am in hopes that similar action will be taken in the other Federal Reserve districts. It would seem desirable that the Governors of the different Federal Reserve banks should proceed in a similar way, and as soon as the chairmen of these committees are known, I will invite them to Washington in order that the whole problem may be put on a national basis.

That is all I have for general public distribution.

COUNCIL OF NATIONAL DEFENSE

For your own information I would like to talk to you a moment about these recent advocacies of resurrection of the Council of National Defense. We have had that subject up before. It seems to have become alive in the last few days again.

You will recollect that the Council of National Defense is a statutory body comprised of five members of the Cabinet and an advisory body comprised of five civilians. The duties outlined for it are purely war duties, and it can only advise Cabinet members. It is contended that there are one or two expressions in the act which might be translated into use for purposes of the general welfare, and I presume it is the creation of the advisory body in which the various promoters are interested. The advisory body may hang over from the old body, and in any event it appears to have been recently canvassed to see what its

opinion would be on the subject. Several of them have written to me and stated that if they are still alive that they would not serve on such a body because they do not believe it has any constructive purpose and they do not believe there is anything to be accomplished by it.

In any event, if you will consider that we already have a Cabinet in which there are eminent representatives of agriculture and labor and finance and industry; that we have the Reconstruction Corporation with six or seven Directors who represent directly industry and finance and agriculture; that we have the Federal Reserve Board, which represents finance and industry and agriculture; that we have the Farm Board which represents seven different branches of agriculture; that we have the Farm Loan Board with representatives of both agriculture and finance; that we have the President's Organization for Unemployment Relief, which is an advisory body of 100 leading citizens of the United States; and back of all these organizations we have the bureaus of the Government with their mass of information and all of their expert advice, and that all of these bodies are cooperating closely; that they are comprised of men of both political parties, and in fact, in their total sum and their daily conferences they constitute the most effective economic council that could be devised because they have behind them both authority and cooperation. So, it does not seem that the creation of any more commissions or committees is so much needed at this moment as the balancing of the budget. I am today a strong exponent of the desirability of committees which are created for some specific purpose or some specific duty where there is some definite and positive goal that can be set and methods by which it can be arrived at. A very typical committee is that created in New York yesterday—it being created from the Federal Reserve district for a very positive purpose, and the coordination of that body by bringing their chairmen together is a definite and constructive contribution to a specific problem. And a much more constructive activity by some of the people who worry about setting up more committees and commissions around Washington would be if they could display the same energy in supporting us in the completion of our program of reconstruction and endeavor to break

the back of the depression by this program. As a matter of fact, if we could have all the energy that is now devoted to creating new committees and conferences devoted to that purpose, that would get us out of this depression in short order.

Otherwise than that I have nothing that disturbs the situation today.

NOTE: President Hoover's two hundred and forty-ninth news conference was held in the White House at 4 p.m. on Friday, May 20, 1932.

On the same day, the White House issued a text of the President's statement on the formation of the New York Banking and Industrial Committee (see Item 170).

170

Statement on the Formation of the New York Banking and Industrial Committee. *May 20, 1932*

THE PRESIDENT said:

"I am much gratified at the action taken in New York by which a joint committee has been appointed representing financial and industrial leaders of that city for the purpose, amongst other things, of securing that the expansion of credit facilities made available through the Federal Reserve banks and the Reconstruction Finance Corporation shall be translated into industry, employment, and agriculture. I am in hopes that similar action may be taken in other Federal Reserve districts. It would seem desirable that the Governors of the different Federal Reserve banks should proceed in a similar manner, and as soon as the chairman of such committees are known, I shall be glad to invite them to Washington in order that the whole program may be set up on a national basis."

NOTE: On May 19, 1932, the New York Federal Reserve Bank organized the committee consisting of 12 prominent bankers and industrialists. Owen D. Young chaired the committee.

171

Message to the National Conference of Social Work.

May 20, 1932

[Released May 20, 1932. Dated May 14, 1932]

My dear Mr. Hastings:

I am deeply interested to learn that the White House Conference on Child Health and Protection will hold a meeting in connection with the National Conference of Social Work in Philadelphia on May 20th, to consider how the goal of health and protection for every child may be attained. The fact that more than half of the States have already held White House Conferences and that others are planning similar meetings is encouraging evidence that the national survey of childhood, and the recommendations growing out of it are strengthening and enriching the lives of the coming generation. The value of such a united effort in behalf of children is beyond calculation.

I shall appreciate it if you will extend to those gathered from the various states for the meeting in Philadelphia, my hearty greetings and good wishes for the fullest fruition of their plans.

Yours faithfully,

HERBERT HOOVER

[Mr. George A. Hastings, Extension Director, White House Conference on Child Health and Protection, Benjamin Franklin Hotel, Philadelphia, Pa.]

NOTE: The message was read at the opening session of the conference.

172

Message to President Gerardo Machado y Morales

on Cuba's Independence Day.

May 20, 1932

ON THIS anniversary of Cuban independence I send Your Excellency my cordial sentiments of good will and best wishes for the continued prosperity of the Republic.

HERBERT HOOVER

[His Excellency General Gerardo Machado y Morales, President of Cuba, Habana, Cuba]

173

Message to Amelia Earhart on Her Transatlantic Flight.

May 21, 1932

I VOICE the pride of the Nation in congratulating you most heartily upon achieving the splendid pioneer solo flight by a woman across the Atlantic Ocean. You have demonstrated not only your own dauntless courage but also the capacity of women to match the skill of men in carrying through the most difficult feats of high adventure.

HERBERT HOOVER

[Mrs. Amelia Earhart Putnam, Culmore, Ireland]

NOTE: Mrs. Amelia Earhart Putnam became the first woman to complete a transatlantic solo flight. She flew from Harbor Grace, Newfoundland, to Culmore, Ireland, in the record time of 14 hours and 56 minutes.

174

Message to the Huguenot Memorial Association.

May 22, 1932

[Released May 22, 1932. Dated May 18, 1932]

My dear Mr. Frost:

I will be obliged if you will express my cordial greetings to the members of the Huguenot Memorial Association, and my appreciation of the high social values involved in the preservation of historical traditions through such permanent reminders of the past as the Washington Arch and Memorial Window.

Yours faithfully,

HERBERT HOOVER

[Mr. Henry D. Frost, President, The Huguenot Memorial Association, Inc., Huguenot Park, Staten Island, N.Y.]

226

NOTE: The message was read at dedication ceremonies for a memorial arch and window in the National Huguenot Memorial Church. The ceremonies were part of Staten Island's celebration of the bicentennial of George Washington's birth.

175

Letter to the President of the American Society
of Civil Engineers on the Economic Recovery Program.
May 23, 1932

[Released May 23, 1932. Dated May 21, 1932]

My dear Mr. Crocker:

I am in receipt of your kind letter of May 19th, and I have also the presentation of the sub-committee of the Society suggesting that the depression can be broken by a large issue of Federal Government bonds to finance a new program of huge expansion of "public works" construction, in addition to the already large programs now provided for in the current budgets. The same proposals have been made from other quarters and have been given serious consideration during the past few days.

The back of the depression cannot be broken by any single Government undertaking. That can only be done with the cooperation of business, banking, industry, and agriculture in conjunction with the government. The aid the government may give includes: (a) The quick, honest balancing of the Federal budget through drastic reduction of less necessary expenses and the minimum increase in taxes; (b) The avoidance of issue of further Treasury securities as the very keystone of national and international confidence upon which all employment rests; (c) The continuation of the work of the Reconstruction Corporation which has overcome the financial strain on thousands of small banks, releasing credit to their communities, the strengthening of building and loan associations, the furnishing of credit to agriculture, the protection of trustee institutions and the support of financial stability of the railways; (d) The expansion of credit by the Federal Reserve Banks; (e) The organized translation of these credits into

actualities for business and public bodies; (f) Unceasing effort at sound strengthening of the foundations of agriculture; (g) The continuation of such public works in aid to unemployment as does not place a strain on the taxpayer and do not necessitate Government borrowing; (h) Continuation of national, community and individual efforts in relief of distress; (i) The introduction of the five day week in Government which would save the discharge of 100,000 employees and would add 30,000 to the present list; (j) The passage of the Home Loan discount bank legislation which would protect home owners from foreclosure and would furnish millions of dollars of employment in home improvement without cost to the Treasury; (k) Financial aid by means of loans from the Reconstruction Corporation to such states as, due to the long strain, are unable to continue to finance distress relief; (l) The extension of the authority of the Reconstruction Corporation not only in a particular I called attention last December—that is, loans on sound security to industry where they would sustain and expand employment—but also in view of the further contraction of credit to increase its authority to expand the issue of its own securities up to \$3,000,000,000 for the purpose of organized aid to “income producing” works throughout the nation, both of public and private character.

1. The vice in that segment of the proposals made by your society and others for further expansion of “public works” is that they include public works of remote usefulness; they impose unbearable burdens upon the taxpayer; they unbalance the budget and demoralize Government credit. A larger and far more effective relief to unemployment at this stage can be secured by increased aid to “income-producing works.” I wish to emphasize this distinction between what for purposes of this discussion we may term “income producing works” (also referred to as “self-liquidating works”) on the one hand and non-productive “public works” on the other. By “income-producing works” I mean such projects of states, counties and other sub-divisions as water-works, toll bridges, toll tunnels, docks and any other such activities which charge for their service and whose earning capacity provides a return upon the investment. With the return of normal times, the bonds of such official bodies based upon such projects can be disposed of to the invest-

ing public and thus make the intervention of the Reconstruction Corporation purely an emergency activity. I include in this class aid to established industry where it would sustain and increase employment with the safeguard that loans for these purposes should be made on sound security and the proprietors of such industries should provide a portion of the capital. Non-productive "public works" in the sense of the term here used include: public buildings, highways, streets, river and harbor improvement, military and navy construction, etc., which bring no direct income and comparatively little relief to unemployment.

2. I can perhaps make this distinction clear by citing the example of the recent action of the Reconstruction Finance Corporation in the matter of the Pennsylvania Railroad Company on one hand, and the recent bill passed by the House of Representatives for increased road building on the other. The railroad company applied to the Reconstruction Corporation for a loan of \$55,000,000 to help finance a fund of over \$68,000,000 needed to electrify certain of its lines. By so doing it would employ directly and indirectly for one year more than 28,000 men distributed over twenty different states. An arrangement was concluded by which the Reconstruction Corporation undertook to stand behind the plan to the extent of \$27,000,000, the railway company finding the balance. This \$27,000,000 is to be loaned on sound securities and will be returned, capital and interest, to the corporation. The Reconstruction Corporation is acting as agent to make available otherwise timid capital for the Pennsylvania Railroad in providing employment. There is no charge upon the taxpayer. On the other hand the proposal of the House of Representatives is to spend \$132,000,000 for subsidies to the states for construction of highways. This would be a direct charge on the taxpayer. The total number of men to be directly employed is estimated at 35,000 and indirectly 20,000 more. In other words, by this action we would give employment to only 55,000 men at the expense by the Government of \$132,000,000, which will never be recovered. In the one instance we recover the money advanced through the Reconstruction Corporation, we issue no government bonds, we have no charge on the taxpayer. In the other instance, we have not only a direct cost to the taxpayer but also a continuing maintenance charge, and

furthermore, the highways in many sections have now been expanded beyond immediate public need.

3. These proposals of huge expansion of "public works" have a vital relation to balancing the Federal budget and to the stabilizing of national credit. The financing of "income-producing works" by the Reconstruction Corporation is an investment operation, requires no congressional appropriation, does not unbalance the budget, is not a drain upon the Treasury, does not involve the direct issue of Government bonds, does not involve added burdens upon the taxpayer either now or in the future. It is an emergency operation which will liquidate itself with the return of the investor to the money markets.

The proposal to build non-productive "public works" of the category I have described necessitates making increased appropriations by the Congress. These appropriations must be financed by immediate increased taxation or by the issuance of Government bonds. Whatever the method employed, they are inescapably a burden upon the taxpayer. If such a course is adopted beyond the amounts already provided in the budget now before Congress for the next fiscal year, it will upset all possibility of balancing the budget; it will destroy confidence in government securities and make for the instability of the government which in result will deprive more people of employment than will be gained.

4. I have for many years advocated the speeding up of public works in times of depression as an aid to business and unemployment. That has been done upon a huge scale and is proceeding at as great a pace as fiscal stability will warrant. All branches of government—Federal, state and municipal—have greatly expanded their "public works" and have now reached a stage where they have anticipated the need for many such works for a long time to come. Therefore, the new projects which might be undertaken are of even more remote usefulness. From January, 1930, to July 1st, 1932, the Federal Government will have expended \$1,500,000,000 on "public works." The budget for the next fiscal year carries a further \$575,000,000 of such expenditures (compared with about \$250,000,000 normal) and includes all the items I have felt are justified by sound engineering and sound finance. Thus

by the end of next year the Federal Government will have expended over \$2,000,000,000 on public works, which represents an increase over normal of perhaps \$1,200,000,000. Thus we have largely anticipated the future and have rendered further expansion beyond our present program of very remote usefulness and certainly not justified for some time to come, even were there no fiscal difficulties. They represent building of a community beyond its necessities. We cannot thus squander ourselves into prosperity.

5. A still further and overriding reason for not undertaking such programs of further expansions of Federal "public works" is evident if we examine the individual projects which might be undertaken from an engineering and economic point of view. The Federal "public works" now authorized by law cover works which it was intended to construct over a long term of years and embrace several projects which were not of immediate public usefulness. In any event, the total of such authorized projects still incomplete on the 1st of July will amount to perhaps \$1,300,000,000. If we deduct from this at once the budgeted program for the next fiscal year—\$575,000,000—we leave roughly \$725,000,000 of such authorized works which would be open for action. If we examine these projects in detail, we find great deductions must be made from this sum. Construction of many projects physically require years for completion such as naval vessels, buildings, canalization of rivers, etc., and therefore as an engineering necessity this sum could only be expended over four or five years; a portion of the projects not already started will require legal and technical preparation and therefore could not be brought to the point of employment of labor during the next year; a portion of these authorized projects are outside continental United States and do not contribute to the solution of our problem; a portion are in localities where there is little unemployment; a portion are in the District of Columbia where we already have a large increase in program for the next fiscal year and where no additional work could be justified. A portion are of remote utility and are not justified, such as extension of agricultural acreage at the present time. Deducting all these cases from the actual list of authorized Federal public works, it will be found that there is less than \$100,000,000 (and this is doubtful)

which could be expended during the next fiscal year beyond the program in the budget. That means the employment of say less than 40,000 men. Thus the whole of these grandiose contentions of possible expansion of Federal "public works" fall absolutely to the ground for these reasons if there were no other.

If it is contemplated that we legislate more authorizations of new and unconsidered projects by Congress we shall find ourselves confronted by a log-rolling process which will include dredging of mud creeks, building of unwarranted post-offices, unprofitable irrigation projects, duplicate highways and a score of other unjustifiable activities.

6. There is still another phase of this matter to which I would like to call attention. Employment in "public works" is largely transitory. It does not have a follow-up of continued employment as is the case with "income-producing works." But of even more importance than this, the program I have proposed gives people employment in all parts of the country in their normal jobs under normal conditions at the normal place of abode, tends to reestablish normal processes in business and industry and will do so on a much larger scale than the projects proposed in the so-called "public works" program.

7. To sum up. It is generally agreed that the balancing of the Federal budget and unimpaired national credit is indispensable to the restoration of confidence and to the very start of economic recovery. The Administration and Congress have pledged themselves to this end. A "public works" program such as is suggested by your committee and by others, through the issuance of Federal bonds creates at once an enormous further deficit.

What is needed is the return of confidence and a capital market through which credit will flow in the thousand rills with its result of employment and increased prices. That confidence will be only destroyed by action in these directions. These channels will continue clogged by fears if we continue attempts to issue large amounts of government bonds for purposes of non-productive works.

Such a program as these huge Federal loans for "public works" is a fearful price to pay in putting a few thousand men temporarily at work and dismissing many more thousands of others from their present

employment. There is vivid proof of this since these proposals of public works financed by Government bonds were seriously advanced a few days ago. Since then United States Government bonds have shown marked weakness on the mere threat. And it is followed at once by a curtailment of the ability of states, municipalities and industry to issue bonds and thus a curtailment of activities which translate themselves into decreased employment.

It will serve no good purpose and will fool no one to try to cover appearances by resorting to a so-called "extraordinary Budget." That device is well known. It brought the governments of certain foreign countries to the brink of financial disaster. It means a breach of faith to holders of all Government securities, an unsound financial program and a severe blow to returning confidence and further contraction of economic activities in the country.

What you want and what I want is to restore normal employment. I am confident that if the program I have proposed to the Congress is expeditiously completed and we have the cooperation of the whole community, we will attain the objective for which we have been searching so long.

Yours faithfully,

HERBERT HOOVER

[Herbert S. Crocker, President, American Society of Civil Engineers, New York, New York]

NOTE: The letter was mistakenly addressed to R. S. Parker and was printed as such by the press. On May 16, 1932, the society's executive committee had committed the organization to working for a \$3 billion public works program.

176

Message to the Biblical Seminary.

May 23, 1932

THE NEED in the United States and throughout the world for trained and effective religious leadership must appear to all thoughtful citizens as not less but greater today than in ordinary times.

I am therefore happy to express my sincere wish that the Biblical Seminary in New York have the support for which you and your co-workers are now asking and that it shall continue its interdenominational work of training Bible inspired preachers, teachers, missionaries and other Christian workers.

No institution doing the work this Seminary is doing should be allowed to fail, particularly in times like these.

HERBERT HOOVER

[Dr. John H. Finley, The New York Times, New York City]

NOTE: The message was read at the seminary's commencement exercises.

177

Message to President Augustin P. Justo
on Argentina's Independence Day.

May 25, 1932

ON THIS national holiday when Argentina celebrates the anniversary of its independence I take pleasure in extending to Your Excellency sincere congratulations and earnest wishes of my Government in which I join most heartily for the continued prosperity of your Nation.

HERBERT HOOVER

[His Excellency Augustin P. Justo, President of Argentina, Buenos Aires, Argentina]

178

Message to the Boys Club of America.

May 25, 1932

I SEND cordial greetings to the Boys Club of America, Inc., and my best wishes for a successful convention. Their work in helping prepare more than a quarter of a million boys for citizenship is a splendid serv-

ice to our country and its success should inspire continued efforts in behalf of the eager youth of the Nation.

HERBERT HOOVER

[William E. Hall, Haddon Hall, Atlantic City, New Jersey]

NOTE: The message was read to approximately 1,800 men and women attending the banquet which was held in Haddon Hall in Atlantic City, N.J.

179

Message to Ceremonies Honoring George B. Cortelyou.
May 25, 1932

[Released May 25, 1932. Dated May 18, 1932]

My dear Mr. Cortelyou:

I am gratified to learn that the American Museum of Safety is to present its "Certificate of Appreciation" to you, in recognition of one phase of your many outstanding services to the public since your entrance into private business twenty-one years ago. I have long held that the Federal Government evoked a type of socially-minded service of exceptional unselfishness and breadth of vision, and your distinguished record in Washington, followed by many achievements of like color in civil life, should be a stimulus to others as well as a profound satisfaction to yourself.

Yours faithfully,

HERBERT HOOVER

[Hon. George B. Cortelyou, President, Consolidated Gas Company, New York City]

NOTE: The message was read at presentation ceremonies held at the Union League Club in New York City.

[180] May 25 *Public Papers of the Presidents*

180

Message to the Forum on House Construction.

May 25, 1932

[Released May 25, 1932. Dated May 20, 1932]

My dear Mr. Foster:

I will be obliged if you will express my cordial greetings to the Forum on House Construction and my appreciation of the value of such inter-industry conferences seeking cooperatively for practical means of carrying into practice the recommendations brought out by the President's Conference on Home Building and Home Ownership. In such conferences lies an opportunity to serve the country in a vital need for better housing, and also to help forward the enlargement of employment in several major industries.

Yours faithfully,

HERBERT HOOVER

[Mr. T. J. Foster, Chairman, Forum on House Construction, Engineering Societies Building, 29 West 39th Street, New York City]

NOTE: The message was read at the opening session of the forum, meeting in the Engineering Societies Building, New York City. The forum, under the auspices of the American Institute of Steel Construction, brought architects and engineers together to discuss the problems of prefabricated housing.

181

Message to the National Capital Presbyterian Commission.

May 26, 1932

[Released May 26, 1932. Dated April 13, 1932]

My dear Dr. McCartney:

I will be obliged if you will express my cordial greetings to those gathered at the dinner of the National Capital Presbyterian Commission on April 13th, to honor the memory of George Washington and

236

of the Presbyterians associated with him in the work of establishing this nation.

His example and the example of your spiritual forebears challenge you who are leaders of this generation to a commensurate share in solving the hardly less difficult problems of our own day, and an equal courage and boldness in declaring the sound principles of life and government which they helped bequeath to us.

Yours faithfully,

HERBERT HOOVER

[Rev. Albert Joseph McCartney, D.D., Chairman of the National Capital Presbyterian Commission, 1764 M Street, N.W., Washington, D.C.]

NOTE: The message was sent to a dinner meeting of the commission on April 13, 1932. The purpose of the meeting was to celebrate the contributions of Presbyterian leaders who participated in the Revolutionary War. However, the message was not made public until the opening session of the annual assembly of the Presbyterian Church in the United States of America which was held in Denver, Colo., on May 26.

182

The President's News Conference of *May 27, 1932*

EMERGENCY RELIEF AND CONSTRUCTION LEGISLATION

THE PRESIDENT. The urgent question today is the prompt balancing of the budget. When that is accomplished I propose to support adequate measures for relief of distress and unemployment. In the meantime it is essential that there should be an understanding of the character of the draft bill [H.R. 12353] made public yesterday in the House of Representatives for this purpose. That draft bill supports some proposals we have already made in aid to unemployment through the use of the Reconstruction Finance Corporation to make loans for projects which have been in abeyance and which proposal makes no drain on the taxpayer. But in addition it proposes to expend about \$900 million for Federal public works.

I believe that the American people will grasp the economic fact that such action would require appropriations to be made to the Federal departments, thus creating a deficit in the budget that could only be met with more taxes and more Federal bond issues. This makes balancing of the budget hopeless. The country also understands that an unbalanced budget means the loss of confidence of our own people and of other nations in the credit and stability of the Government and that the consequences are national demoralization and the loss of 10 times as many jobs as would be created by this program even if it could be physically put into action.

An examination of only one group of these proposals—that is, proposed authorizations for new post offices—shows a list of about 2,300 such buildings, at a total cost of about \$150 million. The Post Office Department informs me that the interest and upkeep of these buildings would amount to \$14 million per annum, whereas the upkeep and rent of buildings at present in use amounts to less than \$3 million. Many of the other groups in this will no more stand the light of day than this example.

A total of over 3,500 projects of various kinds are proposed in this bill, scattered into every quarter of the United States. Many of these projects have heretofore been discredited by Congress because of useless extravagance involved. Many were originally authorized as justified only in the long-distant future. I do not believe that 20 percent could be brought to the stage of employment for a year. I am advised by the engineers that the amount of labor required to complete a group of \$400 million of these works would amount to only 100,000 men for 1 year because they are in large degree mechanized jobs.

This is not unemployment relief. It is the most gigantic pork barrel ever proposed to the American Congress. It is an unexampled raid on the Public Treasury.

Detailed lists of these projects have been broadcast to every part of the country during the past 24 hours, to the cities, towns, villages, and sections who would receive a portion of this pork barrel. It is apparently expected that the cupidity of these towns and sections will demand that

their Congressmen and Senators vote for this bill or threaten to penalize them if they fail to join in this squandering of money.

I just do not believe that such lack of intelligence or cupidity exists amongst the people of the United States. If that shall prove true, then this is not the United States that had the intelligence to frame the Constitution of this Republic, which fought the War of the Revolution, or the Civil War, or the World War, that it might be forged into the greatest Nation of the world, the whole foundations of which are common sense, honesty, character, and idealism. Our Nation was not founded on the pork barrel, and it has not become great by political logrolling. I hope that those many Members of Congress of both parties who I know will oppose this bill will receive the definite support of the people in their districts in resisting it.

NOTE: President Hoover's two hundred and fiftieth news conference was held in the White House at 4 p.m. on Friday, May 27, 1932.

On the same day, the White House issued a text of the President's statement on the emergency relief and construction legislation (see Item 183).

183

Statement on Emergency Relief and Construction Legislation.
May 27, 1932

THE PRESIDENT said:

"The urgent question today is the prompt balancing of the budget. When that is accomplished I propose to support adequate measures for relief of distress and unemployment. In the meantime it is essential that there should be an understanding of the character of the draft bill made public yesterday in the House of Representatives for this purpose. That draft bill supports some proposals we have already made in aid to unemployment through the use of the Reconstruction Finance Corporation to make loans for projects which have been in abeyance and which proposal makes no drain on the taxpayer. But in addition it proposes to expend about \$900 million for Federal public works.

"I believe the American people will grasp the economic fact that such action would require appropriations to be made to the Federal departments, thus creating a deficit in the budget that could only be met with more taxes and more Federal bond issues. That makes balancing of the budget hopeless. The country also understands that an unbalanced budget means the loss of confidence of our own people and of other nations in the credit and stability of the Government and that the consequences are national demoralization and the loss of 10 times as many jobs as would be created by this program even if it could be physically put into action.

"An examination of only one group of these proposals—that is, proposed authorizations for new post offices—shows a list of about 2,300 such buildings, at a total cost of about \$150 million. The Post Office Department informs me that the interest and upkeep of these buildings would amount to \$14 million per annum, whereas the upkeep and rent of buildings at present in use amounts to less than \$3 million. Many of the other groups in this bill will no more stand the light of day than this example.

"A total of over 3,500 projects of various kinds are proposed in this bill, scattered into every quarter of the United States. Many of these projects have heretofore been discredited by Congress because of useless extravagance involved. Many were originally authorized as justified only in the long distant future. I do not believe that 20 percent could be brought to the stage of employment for a year. I am advised by the engineers that the amount of labor required to complete a group of \$400 million of these works would amount to only 100,000 men for one year, because they are in large degree mechanical jobs.

"This is not unemployment relief. It is the most gigantic pork barrel ever proposed to the American Congress. It is an unexampled raid on the Public Treasury.

"Detailed lists of all these projects have been broadcast to every part of the country during the past 24 hours, to the cities, towns, villages and sections who would receive a portion of this pork barrel. It is apparently expected that the cupidity of these towns and sections will

demand that their Congressmen and Senators vote for this bill or threaten to penalize them if they fail to join in this squandering of money.

"I just do not believe that such lack of intelligence or cupidity exists amongst the people of our United States. If that shall prove true, then this is not the United States that had the intelligence to frame the Constitution of this Republic, which fought the War of the Revolution, or the Civil War, or the World War, that it might be forged into the greatest Nation of the world, the whole foundations of which are common sense, honesty, character, and idealism. Our Nation was not founded on the pork barrel, and it has not become great by political logrolling. I hope that those many Members of the Congress of both parties who I know will oppose this bill will receive the definite support of the people in their districts in resisting it."

NOTE: Although popularly known as the Garner bill, the legislation was actually sponsored by Representative Henry T. Rainey. The first version (H.R. 12353) was introduced on May 27, 1932, and the second version (H.R. 12445) on June 3. The legislation would implement a relief plan set forth by Speaker of the House John Nance Garner.

184

Message of Sympathy on the Death
of Martha Van Rensselaer.
May 27, 1932

[Released May 27, 1932. Dated May 26, 1932]

I AM SHOCKED to learn of the sudden death of Miss Van Rensselaer. Her passing will bring a sense of personal loss to thousands from whom her quiet devotion to every cause looking to the well-being of children and to the enrichment of the life of women had evoked their warm affection and their deep respect. I wish especially to pay tribute to her great services in the White House Conference on Child Health and Protection, and in the President's Conference on Home Build-

[185] May 30 *Public Papers of the Presidents*

ing and Home Ownership. The Nation has lost a great citizen, and all who knew her a loyal friend.

HERBERT HOOVER

[Miss Flora Rose, Ithaca, N.Y.]

NOTE: Miss Van Rensselaer, director of Cornell University's College of Home Economics, died in New York City on May 26, 1932.

185

Message to Albert, King of the Belgians,
in Response to His Memorial Day Message of Friendship.
May 30, 1932

I HAVE RECEIVED Your Majesty's gracious message. The tribute which you and the Belgian people are paying on Decoration Day to the memory of those American soldiers and sailors who gave their lives for the cause of justice and whose bodies rest in Belgium, echoes and resounds in every American heart with gratitude and affection for their Belgian comrades and friends. I and my fellow country men in dedicating this day to our own dead will be keenly mindful of your own country's great sacrifice and will bend our heads in silent prayer for Belgium's heroic dead.

HERBERT HOOVER

NOTE: The message was in response to the King's message, dated May 28, 1932, which follows:

Ever faithful to a tradition which is dear to them, my compatriots will, on the thirtieth of May, strew flowers upon the graves of the American soldiers who sleep in Belgian soil. They will thus show how vividly they still cherish in their hearts the memory of the brave comrades who fought by their sides.

On this solemn occasion, animated by a sentiment of sincere gratitude, we address to the great American people our most heartfelt wishes for their welfare and prosperity.

ALBERT

[To His Excellency The President of the United States]

242

186

Address to the Senate on the National Economy.
May 31, 1932

AN EMERGENCY has developed in the last few days which it is my duty to lay before the Senate.

The continued downward movement in the economic life of the country has been particularly accelerated during the past few days, and it relates in part definitely to the financial program of the Government. There can be no doubt that superimposed upon other causes the long-continued delays in the passage of legislation providing for such reduction in expenses and such addition to revenues as would balance the budget, together with proposals of projects which would greatly increase governmental expenditures, have given rise to doubt and anxiety as to the ability of our Government to meet its responsibilities. These fears and doubts have been foolishly exaggerated in foreign countries. They know from bitter experience that the course of unbalanced budgets is the road of ruin. They do not realize that slow as our processes may be we are determined and have the resources to place the finances of the United States on an unassailable basis.

The immediate result has been to create an entirely unjustified run upon the American dollar from foreign countries and within the past few days despite our national wealth and resources and our unparalleled gold reserves our dollar stands at a serious discount in the markets of the world for the first time in half a century. This can be and must be immediately corrected or the reaction upon our economic situation will be such as to cause great losses to our people and will still further retard recovery. Nor is the confusion in public mind and the rising feeling of doubt and fear confined to foreign countries. It reflects itself directly in diminished economic activity and increased unemployment within our own borders and among our own citizens. There is thus further stress upon already diminished and strained economic life of the country.

No one has a more sympathetic realization than I of the difficulties and complexities of the problem with which the Congress is con-

fronted. The decrease in revenues due to the depression by upwards of \$1,700 million and the consequent necessity to reduce Government expenditures, the sacrifice such reduction calls for from many groups and sections, the further sacrifice called for in the distribution of the remaining burden by the imposition of new taxes, all constitute a problem which naturally arouses wide divergence of sectional interest and individual views. Yet if we are to secure a just distribution of these sacrifices in such fashion as to establish confidence in the integrity of the Government we must secure an adjustment of these views to quick and prompt national action, directed at one sole purpose, that is to unfetter the rehabilitation of industry, agriculture, and unemployment. The time has come when we must all make sacrifice of some parts of our particular views and bring these dangers and degenerations to halt by expeditious action.

In the stress of this emergency I have conferred with members of both parties of the Senate as to methods by which the strains and stresses could be overcome and the gigantic resources and energies of our people released from the fetters in which they are held. I have felt in the stress of this emergency a grave responsibility rests upon me not only to present the situation to the Senate but to make suggestions as to the basis of adjustment between these views which I hope will lead to early action. And I am addressing myself to the Senate on this occasion as the major questions under consideration are now before this body.

We have three major duties in legislation in order to accomplish our fundamental purposes.

1. Drastic reduction of expenditures.
2. Passage of adequate revenue legislation, the combination of which with reductions will unquestionably beyond all manner of doubt declare to the world the balancing of the Federal budget and the stabilizing of the American dollar.
3. Passage of adequate relief legislation to assure the country against distress and to aid in employment pending the next session of Congress.

It is essential that when we ask our citizens to undertake the burdens of increased taxation we must give to them evidence of reduction of

every expenditure not absolutely vital to the immediate conduct of the Government. The executive budget of last December provided for a reduction of expenditures in the next fiscal year over the then estimated expenditures of the current year by about \$370 million. I have recommended to the Congress from time to time the necessity for passage of legislation which would give authority for further important reductions in expenditures not possible for consideration by either the Executive or the committees of Congress without such legislation.

An earnest nonpartisan effort was made to secure these purposes in a national economy bill in the House, but it largely failed. That subject is under review by the bipartisan committee appointed from the members of the Senate Appropriations Committee, and I am informed it has tentatively agreed upon a recommendation which would aggregate savings of \$250 million together with a number of undetermined further possibilities. I am not informed as to details of these recommendations although I learn that my own suggestions in many instances have not been accepted. But I do know that the committee has made honest and earnest effort to reach a just reduction in expenditures, and I trust therefore that despite any of our individual views or the sacrifice of any group, that we can unite in support and expeditious adoption of the committee's conclusions. In addition to the economies which may be brought about through the economy bill, the direct reductions of the appropriations committees should increase this figure to at least \$400 million not including certain postponements to later deficiency bills. As this sum forms the basis of calculations as to increased taxes necessary it is essential that, no matter what the details may be, that amount of reduction must be obtained or taxes must be increased to compensate. If this minimum of \$400 million is attained by congressional action together with the \$369 million effected through executive budget, except for amounts already budgeted for public works in aid to unemployment and increased costs of veterans, we will have reduced expenditures of this Government to the lowest point since 1916.

In the matter of tax legislation, we must face the plain and unpalatable fact that due to the degeneration in the economic situation during the past month the estimates of fertility of taxes which have been made

from time to time based upon the then current prospects of business must be readjusted to take account of the decreasing business activity and shrinking values. The Finance Committee has been advised that the setbacks of the past month now make it evident that if we are to have absolute assurance of the needed income with breadth of base which would make a certainty of the collections we must face additional taxes to those now proposed by the Senate Finance Committee.

I recognize the complaint that estimates of the taxes required and reductions of expenses needed have been repeatedly increased, but on the other hand it should be borne in mind that if tax and economy legislation recommended from time to time since last December had been promptly enacted there would have been less degeneration and stagnation in the country. But it is unprofitable to argue any such questions. We must face the situation as it exists today.

In the course of the 6 months during which the revenue bill has been considered in the House and Senate practically every form of tax has been suggested at one time or another, many have found their way into the bill later to be rejected. The total amount Congress originally set out to obtain has been gradually whittled down either by actual reductions or degeneration of the situation while needs have increased.

If we examine the major sources of possible increases in taxes now proposed and the nature of taxes already voted, it may well be that the income taxes have already been raised to the point of diminishing returns through avoidance which will ensue by the use of tax-exempt securities and are already so high as to approach the danger point in retardation of enterprise. It is advisable that more relief should be given to earned incomes. Nor will further increase in income tax, even including the proposals of Senator Connally,¹ cover the gap in our revenues or provide against any failure to reduce expenses to the full amount I have stated. The Senate has already imposed a multitude of specific manufacturers excise taxes on special industries. Some of them appear discriminatory and uncertain in their productivity. I have not and do

¹ On May 16, 1932, Senator Tom Connally of Texas offered an amendment to the revenue bill providing for income taxes ranging up to 55 percent in the highest bracket. The Senate rejected the amendment on May 17.

not favor a general sales tax. It has not been proposed by the Treasury. A sales tax is not, however, to be confused with an extension of the special manufacturers excise taxes to a general manufacturers excise tax with exemptions of food and clothing. This is an entirely different tax from a so-called sales tax and cannot be pyramided. Even this general manufacturers excise tax has not been proposed by the Treasury, although at the time such a tax was unanimously recommended by the Ways and Means Committee of the House, representing both political parties and their leaders in the House of Representatives, the Secretary of the Treasury accepted it in the hope that immediate passage of the bill would result. In order, however, to solve our problem and give assurance to the country and the world of the impregnability of the American dollar and that we are ready to meet our emergencies at any sacrifice, I have now come to favor an extension for a limited period of the many special excise taxes to a more general manufacturers excise tax and will support the Congress if it should be adopted. Whether this be the course or not some further emergency tax sources should be incorporated in the pending bill.

Our third problem is that of relief. The sharp degeneration has its many reflexes in distress and hardship upon our people. I hold that the maintenance of the sense of individual and personal responsibility of men to their neighbors and the proper separation of functions of the Federal and local governments requires the maintenance of the fundamental principle that the obligation of distress rests upon the individuals, upon the communities and upon the States. In order, however, that there may be no failure on the part of any State to meet its obligation in this direction I have, after consultation with some of the party leaders on both sides, favored authorization to the Reconstruction Finance Corporation to loan up to \$300 million to State governments where they are unable to finance themselves in provision of relief to distress. Such loans should be made by purchase of State bonds by the Corporation but where States are unable to issue bonds then loans should be made upon application of State authorities, and if they are not regularized by the issuance of bonds within a period of 12 to 18 months, they should become a charge upon the Federal aid funds to which such States may be entitled.

In order to aid unemployment and to avoid wasteful expansion of public works I have favored an authority to the Reconstruction Corporation to increase its issues of its securities to the maximum of \$3 billion in order that it may extend its services both in aid to employment and agriculture on a wide scale. Under the methods proposed the Corporation is to be: (a) authorized to buy bonds from political subdivisions or public bodies to aid in construction of income-producing or self-liquidating projects; (b) to make loans to established enterprise upon adequate security, for advancement of sound projects that will increase employment but safeguarded by requirement that some portion of outside capital is also provided; (c) to divert a portion of the unexpended authorizations of agricultural loans through the Secretary of Agriculture to finance exports of agricultural products; (d) to make loans to institutions upon security of agricultural commodities to assure the carrying of normal stocks of these commodities and thus by stabilizing their loan value to steady their price levels; (e) to make loans to the Federal Farm Board to enable extension of finance of farm cooperatives.

I have not been able to favor the expansion of public works beyond the program already proposed in the budget. I have for many years advocated speeding up of public works as relief to unemployment in times of depression. Since the beginning of this depression, in consonance with this view, the Federal Government will have expended in excess of \$1,500 million in construction and maintenance of one kind or another as against a normal program of perhaps \$650 million for a similar period. The budget for next year calls for over \$550 million or double our usual outlay. If we shall now increase these programs we shall need instantly to increase taxes still further. We have already forced every project which we have justification with any regard to the taxpayer and the avoidance of sheer waste. It is not my desire on this occasion to argue the comparative merits of extending such a program and that of financing an even larger program of employment on productive works through the Reconstruction Finance Corporation. We are indeed all desirous of serving our fellow citizens who are in difficulty and we must serve them in such a fashion that we do not increase the ranks of

unemployed. I may emphasize that this alternative program avoids drain upon the taxpayer, and above all if we are to balance our budget and balance it in such fashion that our people and the world may know it is balanced, we cannot make further appropriations in any direction beyond the amounts now before the Congress.

I am confident that if the Congress could find in these suggestions which come from members of both parties a ground for adjustment of legislation on those dominant particulars and could bring it into immediate action it would yield not only relief to the country but would re-establish that confidence which we so sorely need.

The natural wealth of this country is unimpaired, and the inherent abilities of our people to meet their problems are being restrained by failure of the Government to act. Time is of the essence. Every day's delay makes new wounds and extends them. I come before you in sympathy with the difficulties which the problem presents and in a sincere spirit of helpfulness. I ask of you to accept such a basis of practical adjustment essential to the welfare of our people. In your hands at this moment is the answer to the question whether democracy has the capacity to act speedily enough to save itself in emergency. The Nation urgently needs unity. It needs solidarity before the world in demonstrating that America has the courage to look its difficulties in the face and the capacity and resolution to meet them.

NOTE: The President spoke at 12 noon at the Capitol.

A reading copy of this item with holograph changes by the President is available for examination at the Herbert Hoover Presidential Library.

187

White House Statement
on the Reconstruction Finance Corporation.
June 5, 1932

THE FOLLOWING are the conclusions of the Rapidan conference between President Hoover and the Directors, Governor [Eugene] Meyer,

General [Charles G.] Dawes, Messrs. [Jesse H.] Jones, [Harvey C.] Couch, [Wilson] McCarthy, [H. Paul] Bestor, and [Arthur A.] Ballantine, of the Reconstruction Finance Corporation. They spent some hours yesterday and this morning reviewing the work which has been accomplished since the Corporation was established on the 2d of February and discussed the Board's plans and recommendations for the future. They also discussed methods further to coordinate all economic agencies engaged in assistance to business, employment, and agriculture.

The review of the work of the Corporation showed that in the 14 weeks of its life loans of about \$500 million were authorized to something like 4,000 banks, agricultural credit corporations, life insurance companies, and other financial institutions, and in addition thereto about \$170 million to railroads.

An analysis of the institutions and the purposes served showed that:

First: Of nearly 3,000 borrowing banks, more than 70 percent are located in towns of 5,000 in population or less; while 84 percent are located in towns of 25,000 in population or less; and that only 4.5 percent of money loaned to banks has gone to institutions in cities of over 1 million in population.

In all these communities, these banks have been able to meet the demands of their depositors and to minimize the necessity of forced collections, foreclosures, and sales of securities and have thus contributed to protect community values. One hundred and twenty-five closed banks have either been reopened or their depositors paid out. And bank failures which amounted to nearly 100 a week when the Corporation began are now down to about the casualties of normal times. It is estimated that altogether over 10 million individual depositors and borrowers have been benefited by the margins provided by the Reconstruction Finance Corporation to these banks.

Second: Over 250 building and loan associations have borrowed from the Corporation in order to enable them on the one hand to make their routine payments to their depositors and participants and on the other to avoid the foreclosures of mortgages. The result again has been benefits to hundreds of thousands of individuals.

Third: In the agricultural field, the Corporation has underwritten or subscribed for issues placing \$68 million of the Federal intermediate credit bank debentures, the whole of which sums are loaned directly to farmers for production and marketing purposes. Loans have been made to a number of agricultural, market, and livestock finance corporations, which in turn has enabled them to extend and continue loans particularly upon livestock and loans to a great number of farmers. Beyond this, loans to the extent of \$75 million have been made directly to about 450,000 farmers for seed purposes through the Department of Agriculture. Altogether probably 1 million individual farmers have been directly or indirectly helped.

Fourth: The net result of approximately \$170 million authorized loans to railroads has been on one hand to increase employment by continuing necessary construction work and on the other hand by preventing receiverships, and thus safeguarding the great investments of the trustee institutions such as insurance companies, savings banks, etc. The deterioration of service and other standards which accompany receiverships have also been avoided.

Generally about \$670 million of loans authorized to date have filtered through to the use and protection of a very large segment of the whole country. An encouraging feature is that the repayment of loans has begun, some \$30 million having been repaid.

The conference conclusions as to immediate policies necessary to speedy economic recovery embrace four principal items affecting the Reconstruction Corporation.

1. In order at once to stimulate employment and to stiffen the whole agricultural situation, to extend the authority to the Reconstruction Finance Corporation to increase its issues of its securities to the maximum of \$3 billion to enable it (a) to buy bonds from political subdivisions or public bodies or corporations so as to start construction of income-producing or self-liquidating projects which will at once increase employment; (b) to make loans upon security of agricultural commodities so as to assure the carrying of normal stocks of these commodities and thus by stabilizing their loan value and thereby at once steady their price levels; (c) to make loans to the Federal Farm Board to

enable extension of loans to farm cooperatives and loans for export of agricultural commodities to quarters unable otherwise to purchase them; (d) the authority to loan up to \$300 million to such States as are unable to finance themselves for distress.

It was considered desirable that temporary nonpartisan committees should be set up to pass upon loans to States for distress and of engineers to pass upon loans for income-producing works. Both of these committees to function in much the same way as the Interstate Commerce Commission now acts in passing upon loans to railroads.

2. The enactment of the legislation which has been recommended creating the system of home loan discount banks. Surveys by the building and loan associations and the Department of Commerce show that these institutions would not only protect great numbers of homes from foreclosures, but that they would immediately stimulate from \$500 million to \$1 billion of construction work in new homes in many under-built localities and in renovations. It was considered that these institutions were a necessary complement to the Reconstruction Corporation and could well be financed by the Corporation from its funds if the legislation creating that system is enacted.

3. The joint committee of industry and finance now being created by the Federal Reserve System in each district for the purpose of organized application of the credit facilities now available through the System to be developed in other cities and coordinated with the work of the Reconstruction Corporation.

4. That Government expenditures must be held down absolutely to within the tax income now provided and that no programs of expenditure should be undertaken which cannot be paid for from current tax income. Expansion of nonproductive public works requiring the issuance of Government securities for any other lines of expenditures would at once create a deficit and again unbalance the budget, and would render financing of the operations of the Reconstruction Corporation extremely difficult, if not impossible and would increase rather than decrease unemployment.

The Board presented to the President a high tribute to the thousands of members of committees and of the staff of the Reconstruction Finance

Corporation, working in every city and located in every part of the Union who have given their undivided time and service to enabling the Corporation to function on such an enormous scale and so effectively in the short period of less than 3 months.

NOTE: The White House issued the statement following a weekend of conferences at the President's camp on the Rapidan River. The Directors of the Reconstruction Finance Corporation, Secretary of War Patrick J. Hurley, and financial adviser Henry M. Robinson participated in the conferences.

188

Statement on Signing the Revenue Act of 1932.

June 6, 1932

THE PRESIDENT said:

"The willingness of our people to accept this added burden in these times in order impregnably to establish the credit of the Federal Government is a great tribute to their wisdom and courage. While many of the taxes are not as I desired, the bill will effect the great major purpose of assurance to the country and the world of the determination of the American people to maintain their finances and their currency on a sound basis."

NOTE: As enacted, the Revenue Act of 1932 (H.R. 10236), approved June 6, 1932, is Public, No. 154 (47 Stat. 169).

189

Letter Accepting the Resignation of Charles G. Dawes
as a Director of the Reconstruction Finance Corporation.

June 6, 1932

My dear General Dawes:

I regret intensely that you find it necessary to leave the work of the Reconstruction Finance Corporation.

There is little need for me to express the gratitude which I know the whole country holds for this great service now added to a life of long devotion to public welfare. I am indeed personally under great obligation to you for your cooperation and great accomplishments in many of our most important governmental problems of the past three years.

Yours faithfully,
HERBERT HOOVER

NOTE: Mr. Dawes' letter of resignation, dated June 6, 1932, and released with the President's letter, follows:

My dear Mr. President:

Now that the balancing of the national budget by Congress is assured, the turning point toward eventual prosperity in this country seems to have been reached. The work of the Reconstruction Finance Corporation is now well on its way with loans already authorized for about \$700,000,000 and its operations are now properly systematized and effective.

It has been a privilege to participate in the earlier stages of the organization of the Corporation and its work, and to cooperate in your well-considered and constructive plans for the betterment of existing conditions in the country.

In taking my position with the Corporation I interrupted my formerly announced plan to reenter the banking business in Chicago, which I now desire to do. In accordance with our understanding when I became associated with the Reconstruction Finance Corporation that I would be released when its work was properly established, I now ask you to accept my resignation as a member of the Board and its president, effective as of June 15th.

I thank you for your confidence and for your constant help and guidance during my stay here.

Yours sincerely,
CHARLES G. DAWES

190

Message to the National Association of Purchasing Agents.
June 6, 1932

I WILL BE OBLIGED if you will express my cordial greetings and good wishes to your association as it gathers for its Seventeenth Annual

Convention at Detroit. The increased need in recent years for sound judgment in all purchases of equipment and material has greatly enhanced the value and significance of the labors of American purchasing agents. Thus the purchasing agent today, whether employed by an industrial concern or by a governmental unit, is contributing to the advancement of our general economic well-being.

HERBERT HOOVER

[Mr. G. A. Renard, National Association of Purchasing Agents, Inc., The Book-Cadillac Hotel, Detroit, Michigan]

NOTE: The message was read at the association's convention which met in Detroit, Mich.

191

Commencement Address at Howard University.

June 10, 1932

IT IS AN INSPIRATION to come into this great institution of higher education for the Negro race. Nothing that the Federal Government has done reflects more credit upon it for the meeting of an obligation than this institution to bring to a great segment of our population the means of overcoming a handicap for which they were not responsible and of leveling upward for them an equal opportunity to share in the full measure of citizenship with their brethren of other races.

It is vital in a democracy that the public opinion upon which it rests shall be an informed and educated opinion. The Negro race comprises 10 percent of our population, and unless this 10 percent is developed proportionately with the rest of the population, it cannot pull its proper strength at the oars of our pressing problems of democracy. To provide this development requires trained leadership, and I conceive that to be the function of Howard University. You are providing here professional training in all those fields to which the community naturally looks for leadership—religion, law, medicine, education, science, art. You are providing this professional training to men and women of the

colored race, to your own best talents, your own leaders by natural endowment. Through the instruction which they receive here, your natural leaders become trained leaders, and this training is of the same kinds and of equal efficiency with that which is provided for the natural leaders of the white race. By this process, the colored people are being integrated fully into the broad stream of the national life, sharing in the obligation and opportunity for political service, for economic advancement, for educational development of the individual, and for enjoyment of all the benefits of science and art and general culture, including skilled medical service, more beautiful home surroundings, and a share in the intellectual progress of mankind.

These things are the natural right of the citizens of a republic. The Federal Government has nobly acknowledged its duty to provide them here.

I congratulate the graduating class upon completing their studies with credit, and I congratulate the Negro race upon your efforts to prepare yourselves for leadership in their development. I wish you well in your careers upon which you now embark.

NOTE: The President spoke at 2:30 p.m. on the campus of Howard University in Washington, D.C.

A reading copy of this item with holograph changes by the President is available for examination at the Herbert Hoover Presidential Library.

192

Letter to Albert L. Cox on the Proposed
Reestablishment of the Council of National Defense.
June 10, 1932

My dear General:

I have your letter today signed by a number of gentlemen throughout the country proposing that we reestablish the Council of National Defense. It is my impression that but few of these gentlemen are familiar with the law bearing on this subject.

In this connection you may be interested in a "background" statement I made to the press correspondents in Washington on May 20th, copy of which I enclose herewith.

I am most desirous of receiving from yourself and your able associates suggestions of any specific action that might be taken by Government or private agencies which would improve the situation. Although I do not find myself in accord with your immediate proposal of another committee, I believe that if the signatories were fully informed as to the present effective organization they would agree with me.

Yours faithfully,

HERBERT HOOVER

[General Albert L. Cox, Raleigh, North Carolina]

NOTE: For the background statement referred to, see Item 169. For the act of August 29, 1916, establishing the Council of National Defense, see Public, No. 242, 39 Stat. 649.

On June 10, 1932, a delegation led by General Cox presented a letter to the President urging the reestablishment of the Council of National Defense. A text of the letter, dated March 19 and signed by 86 business, labor, and farm leaders, follows:

Dear Mr. President:

This letter comes to you from a non-partisan group of citizens representing all sections of the country. We believe, as you by your public statements obviously do, that a national emergency of the first magnitude exists and that it needs emergency treatment. We therefore ask you to set in motion that agency of government especially designed for such purpose.

You have said recently "We used emergency measures to win the War. We can use them to fight the depression, the misery and suffering from which are equally great." With these words we are in full agreement and consider immediate action imperative.

From 1916 to 1921 the Council of National Defense well earned the faith and confidence of the American people. No other agency is so well equipped to win this present fight. The Council, first called the "Council of Executive Information," was created by a Federal statute. It was then strengthened by the passage of uniform State laws. The Act creating it requires the Council to nominate to you, and you to appoint an Advisory Commission of not more than seven persons having special knowledge of our country's industries and resources. The

[193] June 11 *Public Papers of the Presidents*

Council and its Advisory Commission is charged with "coordination of industries and resources for the National security and welfare" and with "the creation of relations which will render possible in time of need the immediate concentration and utilization of the resources of the Nation." It was created during Peace for the peace-time duty.

It was not intended that the Council with its Advisory Commission should cease to function with the successful completion of the task before it sixteen years ago. We join with you in opposing the establishment of new commissions, but are impressed with the present necessity for utilizing this well-tested and legally constituted body.

We are confident that an examination of the Council's records will convince you that it is the one legalized agency available to bring together representatives of the civil body to assist in coordinating the country's energies in definite accomplishment for the common good, and for meeting and overcoming the present nation-wide feeling of confusion and fear. It awaits your command.

Respectfully,

ALBERT L. COX

[Honorable Herbert Hoover, President of the United States, Washington, D.C.]

193

Statement on Signing a Bill Authorizing the Transfer of Juvenile Delinquents to Local Jurisdictions.

June 11, 1932

THE PRESIDENT said:

"I have today signed the bill authorizing the transfer of the cases of juvenile delinquents from the Federal system of criminal justice to juvenile courts in their home communities, provided these juvenile courts are willing to accept them. This measure is an important step forward in that it sets an example through its recognition by the Federal Government of the principle that even the relatively small number of juveniles in the Federal system should be handled on a modern scientific basis. It is also a recognition by the Federal Government of the juvenile court as the proper place for the handling of the cases of all juveniles, and is an acceptance of the principle that juvenile offenders are the product of and the responsibility of their home communities.

"This step was recommended in one of the reports of the National Commission on Law Observance and Enforcement, was included in the recommendations in the President's message to Congress, and has had the active interest and approval of social workers all over the country."

NOTE: As enacted, H.R. 10598, approved June 11, 1932, is Public, No. 169 (47 Stat. 301).

194

Message to the American Farm Bureau Federation.

June 11, 1932

[Released June 11, 1932. Dated June 6, 1932]

THE FOURTH OF JULY celebrations conducted by the American Farm Bureau Federation have a special significance in this George Washington bicentennial year, for through them the farmers of the Nation will pay homage to that great farmer who was also the father of our institutions and more than any other man the author of our form of government. I am glad to commend these celebrations and to urge the widest possible participation in them.

NOTE: The organization released the message in conjunction with pre-celebration publicity.

195

Message of Sympathy on the Death of William C. Redfield.

June 13, 1932

My dear Mrs. Redfield:

I am deeply grieved to learn of the death of your husband, who was my good friend and distinguished predecessor in the Department of Commerce. His services to country were so varied and valuable as to earn the gratitude of the Nation and his character won him the high

[196] June 14 *Public Papers of the Presidents*

regard of a host of friends. I send you my profound sympathy in your bereavement.

Yours faithfully,
HERBERT HOOVER

[Mrs. William C. Redfield, 37 Monroe Place, Brooklyn Heights, Brooklyn, N.Y.]

NOTE: Mr. Redfield was Secretary of Commerce from 1913 to 1919.

196

Statement for the Flag Day Ceremonies
of the George Washington Bicentennial Celebration.
June 14, 1932

[Released June 14, 1932. Dated June 13, 1932]

ONE HUNDRED and fifty-five years ago the Continental Congress established the fundamental design of our flag and General Washington set it afloat as a symbol of national unity and determination. It is today a symbol enormously more significant for it stands for all that has been accomplished by our people in the century and a half of this Nation's existence. That accomplishment was based on and made possible by faith, fortitude, resolution, courage, and character. What we need to do on this Flag Day, June 14, 1932, is to renew that faith, resolving that we will hand on to the next generation, unimpaired by the passing emotions of temporary distress, these national traits and the American system which they have builded.

197

Message Accepting the Republican Presidential Nomination.
June 16, 1932

I HAVE your telegram advising me that the Republican Convention has renominated me as the party's candidate for President of the United States. I am deeply grateful for the highest honor that the party can

confer. It marks your approval and your confidence. I shall labor as I have labored to meet the effects of the worldwide storm which has devastated us with trials and suffering unequalled in but few periods of our history. That storm still surrounds us. The measures which we have adopted and the policies which you have outlined will, with patience and courage, restore confidence and with it employment, agriculture and business. These policies and measures will hold our hard-won American system of ordered liberty and government. Our youth will continue to find that the doors of equal opportunity are open.

But beyond platforms and measures there lies that sacred realm of ideals of hopes and aspirations, those things of the spirit, which make the greatness and the soul of the Nation.

These are our objectives and with unceasing effort, with courage and faith in Almighty God, they will be attained.

If the American people shall again commit to me the high trust of this great office I pledge to them the full measure of my devotion to their service.

HERBERT HOOVER

[Honorable Bertrand H. Snell, Permanent Chairman, Republican National Convention, Chicago, Illinois]

NOTE: The Republican National Convention, meeting in Chicago, Ill., renominated the President on the first ballot. Vice President Charles Curtis was also renominated on the first ballot.

198

The President's News Conference of
June 17, 1932

ECONOMY BILL

THE PRESIDENT. As you know, the administration was called on to formulate the economy bill. It is now in conference. I am in hopes that the conferees of the House will find it possible to support the so-called furlough plan for dealing with the Federal employees. That is

in reality the 5-day week applied to the Government. I am confident it will produce a larger saving in expenditures of the Federal Government than any plan that is likely to pass the Congress, and the objection that it permits discrimination has been met with the proposal that any employees receiving over \$1,200 a year to whom it cannot be applied should receive an $8\frac{1}{3}$ percent reduction in pay which would give the equivalent reduction in Government expenses. It avoids discharges and enables some increase in the number of people employed in the Government, because we will have to employ some substitutes. But in the larger sense it maintains the standards of pay in the Government. It must be borne in mind that the Government pay has never been on such high standards as those in private industry.

But it has a wider importance in one House or the other. Under the terms of the bill as it left the Senate, no reorganization of any great consequence could be made effective until 60 days after the meeting of Congress next year, which would take it into March possibly, with all the delays that might happen. And it would result in nothing effective being done during the next fiscal year. The economies we are looking for now we want during the next fiscal year as well as thereafter. The emergency power as left in the bill by the Senate reduces the bureaus and commissions to be immediately dealt with to those expending only \$25 million a year, and eliminating bureaus expending between \$500 million and \$600 million. In other words, it left no great area over which to effect economies through reorganization.

So that, if we are to get real economy in the Government I am in hopes that the conferees will help us to do it with the maximum that can be done under the two bills.

And I think that is all.

PRESIDENTIAL NOMINATION

Q. Mr. President, most of the boys are still celebrating your victory in Chicago, and those of us here would like to congratulate you—

THE PRESIDENT. That is very good of you. I feel very proud of that tribute, and I appreciate very much the attitude of the press about it. They have been most kind.

NOTE: President Hoover's two hundred and fifty-first news conference was held in the White House at 4 p.m. on Friday, June 17, 1932.

On the same day, the White House issued a text of the President's statement on the economy bill (see Item 199).

199

Statement on the Economy Bill.

June 17, 1932

THE PRESIDENT said:

"I am in hopes that the conferees and the Congress will find it possible to accept the so-called furlough plan for dealing with Federal employees. It is in reality the 5-day week applied to the Government. It will produce a larger saving in expenditures in Federal employment than any other plan which is likely to pass Congress. The objection that it permits of discrimination has been met by the proposal that the few employees receiving over \$1,200 a year to whom it might not be applied shall take an $8\frac{1}{3}$ percent reduction in pay, thus giving the equivalent reduction in Government expenses. It avoids discharges and enables some increases in the number of people employed by the Government through the necessity of some substitutions. In the large sense it maintains the standards of pay in the Government. It must be borne in mind that Government pay has never been on such high standards as that of private enterprise.

"It has a wider spread of importance than these immediate questions. It shows a willingness of the Government itself to cooperate with the country in a movement for shortening the hours of labor with view to increasing the number of people employed. It is an adoption by the Government of what has been done to a large extent in private employment.

"As I have said, the furlough plan is the application of the staggering system, the 5-day week or equivalent symbol for indicating the shortening of hours of labor for the purpose of giving some employment to a maximum number of people.

"I am also in hopes that the emergency powers to the President proposed by the Senate Economy Committee for immediate reorganization of Government departments with view to immediate reduction of expenditures will be restored by the conference. It is one of the most important avenues for economy in government that has been proposed. The general principle of reorganization has been accepted by both Houses, but under the provisions of the bill as it was sent to conference the powers to take emergency action were greatly curtailed in one House or the other. Under the terms of the bill as it left the Senate no reorganization of any great consequence could be made effective until next March. The economies are needed now more than a year hence. The emergency powers left in the bill by the Senate reduced the bureaus and commissions which can be immediately dealt with to those expending only \$25 million a year and eliminated bureaus spending \$500 million to \$600 million."

200

Statement on Campaign Plans.

June 18, 1932

THE PRESIDENT said:

"I have informed Republican leaders that except for a few major addresses expounding policies of the administration I will not take part in the forthcoming campaign as my undivided attention must be given to the duties of my office. The campaign will be conducted and managed entirely by Chairman Sanders and the Republican organization. It has been settled that the offices of the Republican National Committee should be removed from Washington and established at Chicago and New York. Mr. Sanders will be visiting Washington in the course of a few days to complete these arrangements.

"In accordance with the tradition since their beginning that heads of states should open the Olympic Games, I had hoped to avail myself of that pleasure, and I had also hoped to spend a few weeks at my home

at Stanford University, but at the moment this seems improbable as my paramount duty is here.”

NOTE: Everett Sanders was chairman of the Republican National Committee.

The Games of the Tenth Olympiad were held in Los Angeles, Calif., from July 30 to August 14, 1932.

201

Message to the Dedication Ceremonies
of Waterton-Glacier International Peace Park.
June 18, 1932

[Released June 18, 1932. Dated May 31, 1932]

THE DEDICATION of the Waterton-Glacier International Peace Park is a further gesture of the good will that has so long blessed our relations with our Canadian neighbors, and I am gratified by the hope and the faith that it will forever be an appropriate symbol of permanent peace and friendship.

NOTE: Assistant Secretary of the Interior Joseph M. Dixon read the message at the dedication ceremonies in Glacier Park, Montana.

202

Message to The Daily Princetonian
Honoring John Grier Hibben.
June 18, 1932

[Released June 18, 1932. Dated March 16, 1932]

THE CAREER of President John Grier Hibben as a life-long leader in education merits the praise of the country and will continue to inspire the emulation of those to whom he has passed on the lamp of learning.

HERBERT HOOVER

[John B. Oakes, The Daily Princetonian, Princeton, N.J.]

NOTE: The message was printed in the June 18, 1932, issue of the university's newspaper. The issue was devoted to the career of Dr. Hibben, retiring president of the university.

203

Remarks on Presenting the Gold Medal
of the National Geographic Society to Amelia Earhart.

June 21, 1932

"IT IS a great pleasure to come here and share in your honoring of Mrs. Amelia Earhart Putnam. She has shown a splendid courage and skill in flying alone across the Atlantic Ocean. She has often before demonstrated her ability to accomplish the most difficult tasks that she set herself to do. She has been modest and good-humored. All these things combine to place her in spirit with the great pioneering women to whom every generation of Americans has looked up with admiration for their firmness of will, their strength of character, and their cheerful spirit of comradeship in the work of the world. It is significant that she found the first outlet for her energies in social settlement work, and that through all her succession of triumphs in aviation, her transcontinental and transoceanic flights, she has continued active in this warmly human labor. Her success has not been won by the selfish pursuit of a purely personal ambition, but as part of a career generously animated by a wish to help others to share in the rich opportunities of life, and by a wish also to enlarge those opportunities by expanding the powers of women as well as men to their ever-widening limits.

"Mrs. Putnam has made all mankind her debtor by her demonstration of new possibilities of the human spirit and the human will in overcoming the barriers of space and the restrictions of nature upon the radius of human activity. The Nation is proud that an American woman should be the first woman in history to fly an airplane alone across the Atlantic Ocean. As their spokesman, I take pride and pleasure in conferring this rarely bestowed medal of the National Geographic Society upon Mrs. Amelia Earhart Putnam."

266

NOTE: The President spoke at approximately 8 p.m. in Constitution Hall in Washington, D.C. Amelia Earhart Putnam was the first woman to receive the society's medal for notable geographic attainment.

204

The President's News Conference of
June 22, 1932

GENERAL DISARMAMENT CONFERENCE

THE PRESIDENT. Copies of this statement will be given you at 10:30 this a.m.

The delegations at the World Conference on Disarmament at Geneva are engaged in discussions as to methods by which a more comprehensive effort can be made toward disarmament.

The following is the substance of instructions which I have given to the American delegation for guidance in the discussions. I have said:

"The time has come when we should cut through the brush and adopt some broad and definite method of reducing the overwhelming burden of armament which now lies upon the toilers of the world. This would be the most important step that could be taken to expedite economic recovery. We must make headway against the mutual fear and friction arising out of war armament. We can still remain practical in maintaining an adequate self-defense among all nations; we can add to the assurances of peace and yet save the people of the world from 10 to 15 billions of wasted dollars during the next 10 years.

"I propose that the following principles should be our guide:

"First: The Kellogg-Briand Pact, to which we are all signatories, can only mean that the nations of the world have agreed that they will use their arms solely for defense.

"Second: This reduction should be carried out not only by broad general cuts in armaments but by increasing the comparative power of defense through decreases in the power of the attack.

“Third: The armaments of the world have grown up in general mutual relation to each other. And, speaking generally, such relativity should be preserved in making reductions.

“Fourth: The reductions must be real and positive. They must bring actual economic relief.

“Fifth: There are three problems to deal with—land forces, air forces, and naval forces. They are all interconnected. No part of the proposals which I make can be disassociated one from the other.

“Based on these principles, I propose that the arms of the world should be reduced by nearly one-third.

“Land forces: In order to reduce the offensive character of all land forces as distinguished from their defensive character, I propose the adoption of the presentation already made at the Geneva Conference for the abolition of all tanks, all chemical warfare, and all large mobile guns. This would not prevent the establishment or increase of fixed fortifications of any character for the defense of frontiers and seacoasts. It would give an increased relative strength to such defenses as compared with the attack.

“I propose furthermore that there should be a reduction of one-third in strength of all land armies over and above the so-called police component.

“The land armaments of many nations are considered to have two functions. One is the maintenance of internal order in connection with the regular peace forces of the country. The strength required for this purpose has been called the ‘police component.’ The other function is defense against foreign attack. The additional strength required for this purpose has been called the ‘defense component.’ While it is not suggested that these different components should be separated, it is necessary to consider this contention as to functions in proposing a practical plan of reduction in land forces. Under the Treaty of Versailles and the other peace treaties, the armies of Germany, Austria, Hungary, and Bulgaria were reduced to a size deemed appropriate for the maintenance of internal order, Germany being assigned 100,000 troops for a population of approximately 65 million people. I propose that we should accept for all nations a basic police component of soldiers pro-

portionate to the average which was thus allowed Germany. This formula, with necessary corrections for powers having colonial possessions, should be sufficient to provide for the maintenance of internal order by the nations of the world. Having analyzed these two components in this fashion, I propose as stated above that there should be a reduction of one-third in the strength of all land armies over and above the police component.

“Air forces: All bombing planes to be abolished. This will do away with the military possessions of types of planes capable of attacks upon civil populations and should be coupled with the total prohibition of all bombardment from the air.

“Naval forces: I propose that the treaty number and tonnage of battleships shall be reduced by one-third; that the treaty tonnage of aircraft carriers, cruisers, and destroyers shall be reduced by one-fourth; that the treaty tonnage of submarines shall be reduced by one-third, and that no nation shall retain a submarine tonnage greater than 35,000.

“The relative strength of naval arms in battleships and aircraft carriers, as between the five leading naval powers, was fixed by the Treaty of Washington. The relative strength in cruisers, destroyers, and submarines was fixed, as between the United States, Great Britain, and Japan, by the Treaty of London. For the purposes of this proposal, it is suggested that the French and Italian strength in cruisers and destroyers be calculated as though they had joined in the Treaty of London on a basis approximating the so-called accord of March 1, 1931. There are various technical considerations connected with these naval discussions which will be presented by the delegation.

“General: The effect of this plan would be to effect an enormous saving in cost of new construction and replacements of naval vessels. It would also save large amounts in the operating expense in all nations of land, sea, and air forces. It would greatly reduce offensive strength compared to defensive strength in all nations.

“These proposals are simple and direct. They call upon all nations to contribute something. The contribution here proposed will be relative and mutual. I know of nothing that would give more hope for humanity today than the acceptance of such a program with such minor

changes as might be necessary. It is folly for the world to go on breaking its back over military expenditure, and the United States is willing to take its share of responsibility by making definite proposals that will relieve the world."

NOTE: President Hoover's two hundred and fifty-second news conference was held in the White House on Wednesday, June 22, 1932.

On the same day, the White House issued a text of the President's statement on instructions to the United States delegation to the General Disarmament Conference (see Item 205).

205

Statement on Instructions to the United States Delegation to the General Disarmament Conference. *June 22, 1932*

THE DELEGATIONS at the World Conference on Disarmament at Geneva are engaged in discussions as to methods by which a more comprehensive effort can be made toward disarmament.

The following is the substance of instructions which have been given by the President to the American delegation for guidance in the discussions which are now occupying them.

"The time has come when we should cut through the brush and adopt some broad and definite method of reducing the overwhelming burden of armament which now lies upon the toilers of the world. This would be the most important world step that could be taken to expedite economic recovery. We must make headway against the mutual fear and friction arising out of war armament which kill human confidence throughout the world. We can still remain practical in maintaining an adequate self-defense among all nations; we can add to the assurances of peace and yet save the people of the world from 10 to 15 billions of wasted dollars during the next 10 years.

"I propose that the following principles should be our guide:

"First: The Kellogg-Briand Pact, to which we are all signatories, can only mean that the nations of the world have agreed that they will use their arms solely for defense.

"Second: This reduction should be carried out not only by broad general cuts in armaments but by increasing the comparative power of defense through decreases in the power of the attack.

"Third: The armaments of the world have grown up in general mutual relation to each other. And, speaking generally, such relativity should be preserved in making reductions.

"Fourth: The reductions must be real and positive. They must effect economic relief.

"Fifth: There are three problems to deal with—land forces, air forces, and naval forces. They are all interconnected. No part of the proposals which I make can be disassociated one from the other.

"Based on these principles, I propose that the arms of the world should be reduced by nearly one-third.

"Land forces: In order to reduce the offensive character of all land forces as distinguished from their defensive character, I propose the adoption of the presentation already made at the Geneva Conference for the abolition of all tanks, all chemical warfare, and all large mobile guns. This would not prevent the establishment or increase of fixed fortifications of any character for the defense of frontiers and seacoasts. It would give an increased relative strength to such defenses as compared with the attack.

"I propose furthermore that there should be a reduction of one-third in strength of all land armies over and above the so-called police component.

"The land armaments of many nations are considered to have two functions. One is the maintenance of internal order in connection with the regular peace forces of the country. The strength required for this purpose has been called the 'police component.' The other function is defense against foreign attack. The additional strength required for this purpose has been called the 'defense component.' While it is not suggested that these different components should be separated, it is necessary to consider this contention as to functions in proposing a practical plan of reduction in land forces. Under the Treaty of Versailles and the other peace treaties, the armies of Germany, Austria, Hungary, and Bulgaria were reduced to a size deemed appropriate for the main-

tenance of internal order, Germany being assigned 100,000 troops for a population of approximately 65 million people. I propose that we should accept for all nations a basic police component of soldiers proportionate to the average which was thus allowed Germany and these other states. This formula, with necessary corrections for powers having colonial possessions, should be sufficient to provide for the maintenance of internal order by the nations of the world. Having analyzed these two components in this fashion, I propose as stated above that there should be a reduction of one-third in the strength of all land armies over and above the police component.

"Air forces: All bombing planes to be abolished. This will do away with the military possessions of types of planes capable of attacks upon civil populations and should be coupled with the total prohibition of all bombardment from the air.

"Naval forces: I propose that the treaty number and tonnage of battleships shall be reduced by one-third; that the treaty tonnage of aircraft carriers, cruisers, and destroyers shall be reduced by one-fourth; that the treaty tonnage of submarines shall be reduced by one-third, and that no nation shall retain a submarine tonnage greater than 35,000.

"The relative strength of naval arms in battleships and aircraft carriers, as between the five leading naval powers, was fixed by the Treaty of Washington. The relative strength in cruisers, destroyers, and submarines was fixed, as between the United States, Great Britain, and Japan, by the Treaty of London. For the purposes of this proposal, it is suggested that the French and Italian strength in cruisers and destroyers be calculated as though they had joined in the Treaty of London on a basis approximating the so-called accord of March 1, 1931. There are various technical considerations connected with these naval discussions which will be presented by the delegation.

"General: The effect of this plan would be to effect an enormous saving in cost of new construction and replacements of naval vessels. It would also save large amounts in the operating expense in all nations of land, sea and air forces. It would greatly reduce offensive strength compared to defensive strength in all nations.

"These proposals are simple and direct. They call upon all nations to contribute something. The contribution here proposed will be relative and mutual. I know of nothing that would give more hope for humanity today than the acceptance of such a program with such minor changes as might be necessary. It is folly for the world to go on breaking its back over military expenditure, and the United States is willing to take its share of responsibility by making definite proposals that will relieve the world."

206

White House Statement on Instructions
to the United States Delegation
to the General Disarmament Conference.
June 22, 1932

THE PROGRAM announced this morning has been approved by the Secretaries of State, War, and the Navy, by the Chief of Staff of the Army, the Chief of Operations of the Navy, and the American delegation at Geneva.

It is not proposed that the United States should act alone but only upon the acceptance of all the other governments.

Our Army, including the National Guard and all other reserves, has already been reduced much below the European standard "police component." It therefore would not be further decreased in strength but we would join in the abolition of tanks, bombing planes, chemical warfare, large mobile land guns.

Our Navy is not yet built up to the parity and strength provided for it in the treaties. This proposal, while relieving other nations of great costs of maintenance, would also relieve us of a large part of the building program under discussion in Congress designed to enable us to reach our treaty strength.

It would not interfere with present construction and in the ordinary course would not result in reduction of personnel for 2 or 3 years. It

therefore has no effect on unemployment by discharge of men. By aid to economic recovery it would help employment.

The savings in expenditure to the United States in construction and operation are computed at a total of about \$2 billions during the next 10 years.

It would leave us more secure in defense than we are today. We have no desire for offensive armament.

Disarmament has never been considered in connection with debt questions. It has no relation to them whatever either directly or indirectly. No such suggestion has ever been made by any American official.

207

Letter to the President of the Senate Transmitting
a Supplemental Estimate of Appropriation for Participation
in an International Economic Conference.

June 24, 1932

Sir:

I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the Department of State for the fiscal year 1932, to remain available until June 30, 1933, amounting to \$40,000, for an International Economic Conference to be held in London during the year 1932.

The details of this estimate, the necessity therefor, and the reason for its transmission at this time are set forth in the letter of the Director of the Bureau of the Budget transmitted herewith, with whose comments and observations thereon I concur.

Respectfully,

HERBERT HOOVER

[The President of the Senate]

NOTE: The text of the letter from the Director of the Budget, also dated June 24, 1932, and transmitted with the President's letter, follows:

Sir:

I have the honor to submit herewith for your consideration a supplemental esti-

274

mate of appropriation for the Department of State for the fiscal year 1932, to remain available until June 30, 1933, amounting to \$40,000.

International Economic Conference to be held in London during the year

1932: For the expenses of participation by the United States in an economic conference to be held in London during the year 1932, and for each and every purpose connected therewith, including transportation and subsistence or per diem in lieu thereof (notwithstanding the provisions of the subsistence expense act of 1926, amendments thereof or regulations prescribed pursuant thereto); personal services in the District of Columbia and elsewhere, without reference to the classification act of 1923, as amended; stenographic and other services by contract if deemed necessary without regard to the provisions of section 3709 of the Revised Statutes (U.S.C., title 41, sec. 5); rent of offices and rooms; purchase of necessary books and documents; printing and binding; official cards, entertainment; hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified; and such other expenses as may be authorized by the Secretary of State, fiscal year 1932, to remain available until June 30, 1933 \$40, 000

There has been an exchange of views recently between the British and American Governments with regard to the desirability of convening a general economic conference, which would be for the purpose of considering various economic and monetary questions, including methods of improving world-market prices. The British Government later made the suggestion that the conference should be called by the British Government. After due consideration, this Government expressed the opinion that the early convocation of the conference might be of real value in the present depression.

The purpose of this estimate is to provide for the expenses of participation of the United States in the conference.

The foregoing estimate is to meet a contingency which has arisen since the transmission of the Budgets for the fiscal years 1932 and 1933, and its approval is recommended.

Very respectfully,

J. CLAWSON ROOP

Director of the Bureau of the Budget.

The President's News Conference of
June 24, 1932

EMERGENCY RELIEF AND CONSTRUCTION LEGISLATION

THE PRESIDENT. I am glad to see the adoption by both the Senate and the House of the principle of generous relief to unemployment. They have adopted the major provision for which I have been contending by proposing to extend the authority of the Reconstruction Corporation to use its credit to make advances on adequate security up to \$1,500 million for construction work of the type that will pay for itself and for which plans are immediately available and, therefore, can begin the employment of men. The Senate has also adopted the principle for which I have asked of \$300 million loans from the Reconstruction Corporation to the State governments who are not able otherwise to finance their relief of distress. While these features in the Wagner and the Garner bills are not in the form and are not as well safeguarded as they should be, they are in line with major objectives I have been advocating.

On the other hand, I intensely regret that these major provisions for relief of unemployment in both the Garner and the Wagner bills should have been made the vehicle for committing the Federal Treasury to the expenditure of from \$500 million to \$1,200 million for nonproductive public works because these provisions have the triple vice of being a charge on the taxpayer, of unbalancing the budget, and of providing only a small amount of employment and that to a large extent in localities where it is not needed.

Any study of many of these public works provisions will indicate plainly their pork-barrel characteristics. A large part of the expenditures proposed are wasteful in the present times. They impose tremendous future costs on the people for maintenance; they are not economically needed. Much of it represents a squandering of public money. Much of it is mechanized work. The reports of the different technical bureaus of the Government show that they would produce direct employment

during the next year to an average of less than 100,000 men out of the 7 or 8 million unemployed.

These expenditures cannot be recovered; they must be met by the taxpayer either now or in the future. In order to execute them appropriations must be made to different departments and thus a deficiency created in the budget of anywhere from \$500 million to \$1,300 million. Such a deficiency cannot be disguised by accounting phrases. We have worked for 4 months in heartbreaking struggle to bring about a balanced budget. We have imposed \$1,100 million in taxes upon the people; we have reduced Government expenditure by \$600 million or \$700 million through which many Government employees will have lost employment all in order that we might maintain the integrity of Federal credit. To start now to break down that credit and stability will result in the eventual unemployment of far more men than this comparatively few who are benefited. We cannot restore employment in the United States by this sort of methods.

It would be far better to increase the authorizations to the Reconstruction Corporation to make loans for reproductive works which will be repaid by the additional amounts proposed for nonproductive public works than to resort to these dangerous courses. It also would give more actual and continued employment.

There is another phase of the bill as passed which is disheartening. The \$300 million which I recommended should be loaned to such States as are unable to finance care of their own distress were to be made on proper loan terms, and the whole sum was to be available for application to the points of need. It has been transformed into a pork-barrel operation by being apportioned amongst all States according to population, irrespective of their needs. The amounts assignable to States which have major burdens of unemployment are insufficient for their purpose, and the great majority of States which have the ability and will to take care of their own are now invited to dip into the Federal Treasury.

It was unfortunate also that the provision for agricultural relief through the Reconstruction Corporation was omitted. The authority is needed to assure term credits for storage and carrying of these commodi-

ties so as to restore orderly marketing in the normal way. That proposal is the most fundamental of all in agricultural relief and could stop the debacle in agricultural prices. These products are today stagnant because of the fear of manufacturers, processors, and dealers that they cannot be sure of continuous credits at fixed rates to carry their stocks in normal fashion and thus the burden of carrying national reserves is thrust on the farmer with the result of demoralization of prices.

There is, however, a possibility of immediately rectifying these destructive factors and delinquencies of the bill. The Senate bill and the House bill differ totally in text. I am advised that it is within the power of the conferees to rewrite the bill perfecting the fine, constructive provisions and eliminating these wholly destructive proposals. I earnestly hope that this may be done.

RECONSTRUCTION FINANCE CORPORATION

I have one other small item, just for your own information. I understand that Senator Robinson made a mistake as to some statement issued at the White House this morning that I was appointing the President for the Reconstruction Corporation. The President of the Reconstruction Corporation will be appointed by the Board. I only sent the name of Mr. Cowles out. But that is a matter for the Board to determine. The Board can select someone who is not a member of the Board if it so wishes. I have a notion it is in the mind of the Board so to do if they wish to strengthen their staff. This is just for your information.

EMERGENCY RELIEF AND CONSTRUCTION LEGISLATION

Q. Mr. President, reverting back to your statement a minute ago—would you go as far at this time as to suggest that you might veto the bill unless these changes are made in it?

THE PRESIDENT. One never makes a statement like that.

NOTE: President Hoover's two hundred and fifty-third news conference was held in the White House at 4 p.m. on Friday, June 24, 1932.

Although Gardner Cowles, Sr., became a member of the Board of Directors of the Reconstruction Finance Corporation in July 1932, he did not serve as president. On July 28, 1932, the White House issued biographical data on Charles A. Miller as a nominee to the Board of Directors of the RFC. Mr. Miller became president of the RFC in August.

On the same day, the White House issued a text of the President's statement on emergency relief and construction legislation (see Item 209).

209

Statement on Emergency Relief and Construction Legislation.
June 24, 1932

THE PRESIDENT said:

"I am glad to see the adoption by the Senate and House of the principle of generous relief to unemployment. They have adopted the major provision for which I have been contending by proposing to extend the authority of the Reconstruction Corporation to use its credit to make advances on adequate security up to \$1,500 million for construction work of the type which will pay for itself, and for which plans are immediately ready and therefore can begin the employment of men. The Senate has also adopted the principle for which I have asked of \$300 million loans from the Reconstruction Corporation to the State governments who are not able otherwise to finance their relief of distress. While these features in the Wagner and the Garner bills are not in the form and are not as well safeguarded as they should be, they are in line with major objectives I have been advocating.

"On the other hand, I intensely regret that these major provisions for relief of unemployment in both the Garner and the Wagner bills should have been made the vehicle for committing the Federal Treasury to the expenditure of from \$500 million to \$1,200 million for nonproductive public works because these provisions have the triple vice of being a charge on the taxpayer, of unbalancing the budget and of providing only a small amount of employment and that to a large extent in localities where it is not needed.

“Any study of many of these public works provisions will indicate plainly their pork-barrel characteristics. A large part of the expenditures proposed are wasteful in the present times. They impose tremendous future costs on the people for maintenance; they are not economically needed. Much of it represents a squandering of public money. Much of it is mechanized work. The reports of the different technical bureaus of the Government show that they would produce direct employment during the next year to an average of less than 100,000 men out of the many million unemployed.

“These expenditures cannot be recovered; they must be met by the taxpayer now or in the future. In order to execute them appropriations must be made to different departments and thus a deficiency created in the budget of anywhere from \$500 million to \$1,300 million. Such a deficiency cannot be disguised by accounting phrases. We have worked for 4 months in heartbreaking struggle to bring about a balanced budget. We have imposed \$1,100 million in taxes upon the people; we have reduced Government expenditure by \$600 million or \$700 million through which many Government employees will have lost employment all in order that we might maintain the integrity of Federal credit. To start now to break down that credit and stability will result in the eventual unemployment of far more men than this comparatively few who are benefited. We cannot restore employment in the United States by these methods.

“It would be far better to increase the authorizations to the Reconstruction Corporation to make loans for reproductive works which will be repaid by the additional amounts proposed for nonproductive public works than to resort to these dangerous courses. It also would give more actual and continued employment.

“There is another phase of the bill as passed which is disheartening. The \$300 million which I recommended should be loaned to such States as are unable to finance care of their own distress were to be made on proper loan terms, and the whole sum was to be available for application to the points of need. It has been transformed into a pork-barrel operation by being apportioned amongst all States according to population, irrespective of their needs. The amounts assignable to States

which have major burdens of unemployment are insufficient for their purpose, and the great majority of States which have the ability and will to take care of their own are now invited to dip into the Federal Treasury.

"It was unfortunate also that the provision for agricultural relief through the Reconstruction Corporation was omitted. The authority is needed to assure term credits for storage and carrying of these commodities so as to restore orderly marketing in the normal way. That proposal is the most fundamental of all in agricultural relief and could stop the debacle in agricultural prices. These products are today stagnant because of the fear of manufacturers, processors, and dealers that they cannot be sure of continuous credits at fixed rates to carry their stocks in normal fashion and thus the burden of carrying national reserves is thrust on the farmer with the the result of demoralization of prices.

"There is, however, a possibility of immediately rectifying these destructive factors and delinquencies of the bill. The Senate bill and the House bill differ totally in text. I am advised that it is within the power of the conferees to rewrite the bill perfecting the fine, constructive provisions and eliminating these wholly destructive proposals. I earnestly hope that this may be done."

NOTE: The President referred to H.R. 12445 which passed the House of Representatives on June 7, 1932, and the Senate on June 23. The measure, as it emerged from conference, was popularly known as the Garner-Wagner bill.

210

Letter Accepting the Resignation of Abraham C. Ratschesky
as United States Minister to Czechoslovakia.

June 27, 1932

My dear Mr. Minister:

I beg to acknowledge receipt of your letter of June 24th resigning as American Minister to Czechoslovakia. I must, of course, accept it. I do so with the deepest regret because of the distinguished service you

have rendered and the fine place you have been able to make for yourself in the Diplomatic Service.

You have always been a public spirited citizen, working for the best interests of your state and of the nation and I know that whether in diplomatic work or at home, you will continue to render valuable service.

Yours faithfully,
HERBERT HOOVER

[Hon. A. C. Ratshesky, Minister to Czechoslovakia, Prague, Czechoslovakia]

NOTE: Mr. Ratshesky served as United States Minister to Czechoslovakia from 1930 to his resignation. His letter of resignation, dated June 24, 1932, and released with the President's letter, follows:

My dear Mr. President:

It is with deepest regret that I tender to you my resignation as Minister to Czechoslovakia.

The opportunity you have given me to serve my Country in this office under you has brought to me great happiness and satisfaction. It has confirmed my high admiration, so often expressed, for Czechoslovakia and its people. I deeply appreciate the confidence you have placed in me.

Faithfully yours,
A. C. RATSHESKY

[The President, The White House]

211

Message of Sympathy on the Death
of Reverend Francis P. Duffy.

June 27, 1932

My dear Mrs. Bird:

I am deeply grieved to learn of the death of your brother, the universally beloved Father Francis P. Duffy. I had the pleasure of his acquaintance and I shared the admiration he inspired in all who knew him by his joyous humanity and his unlimited interest in and devotion to the happiness and well-being of others. He will be sorely missed.

Yours faithfully,
HERBERT HOOVER

282

[Mrs. Michael Bird, Holy Cross Rectory, West 42nd Street, New York, N.Y.]

NOTE: Father Duffy, wartime chaplain of the "Fighting Sixty-ninth" Regiment and pastor of the Church of the Holy Cross in New York City, died on June 26, 1932.

212

Statement About Signing the "Economy Act."

June 30, 1932

THE PRESIDENT said:

"I have signed the economy bill with but limited satisfaction.

"First, it falls far short of the economies proposed by the Cabinet and other executive officers of the Government; many items of their proposals, which were in turn recommended by committees on economy of the two Houses, failed of passage. Also the bill is so framed as to render abolition or consolidation of the most consequential commissions and bureaus impossible of consummation until some months after the next session of Congress.

"Second, it imposes unnecessary hardships on Government employees in minor matters of little consequence economically. Some of these hardships should be remedied at the next session of Congress. I believe we can administratively alleviate some of these difficulties and hardships. Every effort will be made to do so."

NOTE: As enacted, the "Economy Act" is Part II of Public, No. 212 (47 Stat. 399).

The furlough plan for Government employees was a prominent part of the act. On July 13, 1932, the White House issued a text of the letter to the President from the Chairman of the Council of Personnel Administration on the implementation of that plan, which follows:

The President:

As Chairman of the Council of Personnel Administration, I have the honor to submit to you the recommendations of the Council with respect to the policy and principles that should govern the application of the legislative furlough (Sec. 101 (b), Title I, Part II) and the administrative furlough (Sec. 216, Title II, Part II) provided for in the legislative appropriation act of June 30, 1932.

As to the legislative furlough, applicable to all departments and establishments—

1. The Council indorses in principle a five-day week for per diem employees

and its equivalent in furloughs for salaried officials in the United States Government service.

The Federal Government should take the lead among large scale organizations in favoring a five-day work-week adapted in practical fashion to the needs of the service. The establishment of shorter working hours generally in industry would go far toward relieving the effects of the present depression, particularly in stabilizing and spreading employment and would constitute a force opposing future similar disturbances.

2. The adaptation must differ with varied Government activities so as not to impair the services rendered to the public or increase their cost.

The necessity for such variations is evident from a consideration of those departments and establishments which are charged with the responsibility of maintaining a continuous service for the direct convenience of the public, such as the Postal Service, or an uninterrupted service of a protective, law enforcement or institutional character.

3. There is also the further consideration of not imposing unnecessary hardship upon Government personnel in view of the withdrawal this fiscal year of the annual leave privilege.

In view of these conditions, it is not believed practicable to lay down any hard and fast rule regarding the legislative furlough, but rather that this should be left to the discretion of the heads of the departments and establishments, who should keep in mind the desirability of advancing the interests of a five-day week wherever it is practicable to do so.

As to the additional administrative furlough necessitated in some activities by reductions in appropriations—

4. The Council recommends herewith an Executive order covering the so-called administrative furlough.

PROPOSED EXECUTIVE ORDER

In pursuance of the provisions of section 216 of Part II, Title II, of the Act entitled "An Act making appropriations for the Legislative Branch of the Government for the fiscal year ending June 30, 1933, and for other purposes," approved June 30, 1932, which reads as follows:

"SEC. 216. In order to keep within the appropriations made for the fiscal year 1933, the heads of the various executive departments and independent establishments of the United States Government and the municipal government of the District of Columbia are hereby authorized and directed to furlough, without pay, such employees carried on their respective rolls, such time as in their judgment is necessary to carry out

said purpose without discharging such employees, the higher salaried to be furloughed first whenever possible without injury to the service: Provided, That rules and regulations shall be promulgated by the President with a view to securing uniform action by the heads of the various executive departments and independent Government establishments in the application of the provisions of this section”

the following regulations are hereby prescribed:

(1) Where an appropriation for a given activity, after deducting the amount to be impounded for compulsory furlough, is insufficient to an extent which ordinarily would require the dismissal of employees, the head of the department or establishment concerned will, in lieu of such dismissals, furlough employees, without pay, for such periods as are necessary to avoid a deficit in the appropriation and without discharging employees who are qualified to perform the class of work which is to be continued. The higher salaried employees will be furloughed first whenever possible without injury to the service. Subject to this condition, the total period of furlough under the provisions of this section will, so far as practicable and with due regard to the efficiency of the service, be uniformly distributed among the employees. This however, will not be construed as requiring the transfer of employees from one post of duty to another for the sole purpose of shortening the period of furlough of such employees.

(2) Furloughs under section 216 will be restricted to the utmost degree possible and invoked only where absolutely necessary to keep within the appropriations for the fiscal year 1933. In determining such necessity consideration will be given to all possible means of avoiding furloughs, such as the transfer of qualified employees from one appropriation roll to another, the possibility of transfer of appropriations under section 317 of the same act, and such administrative economies as may be possible in other items.

I have the honor to be

Very respectfully,

THOMAS E. CAMPBELL

*Chairman of the Council of
Personnel Administration*

213

Veto of a Bill Relating to Rate of Wages
for Laborers and Mechanics Employed
by Contractors and Subcontractors on Public Buildings.
July 1, 1932

To the Senate:

I return herewith without approval Senate Bill 3847 "An Act to amend the Act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings."

I attach hereto a memorandum from the Secretary of Labor setting out in detail the reasons for this action.

HERBERT HOOVER

The White House,
July 1, 1932.

NOTE: The Congress tabled the bill and no further action was taken.

The Secretary of Labor's memorandum follows:

MEMORANDUM UPON SENATE BILL 3847

The bill should not be approved. It is obscure and complex, and would be impracticable of administration. It would stretch a new bureaucracy across the country. The bill is an amendatory substitute for the existing act of March 3, 1931, which is a clear and sufficient law. That law has been clarified and reenforced by an Executive Order [EO 5778] issued last January requiring certain stipulations in public contracts to make effective the manifest purpose of the statute. The law during its brief existence has worked with beneficial and generally satisfactory results, and without increase in personnel or appropriation is being administered so as to accomplish substantially the ends sought by this legislation, without the many objectionable features which it would entail.

The existing law of March 3, 1931, should not be scrapped for this proposed amendatory bill with its complexities and obscurities, the results of which could only be dissatisfaction, endless controversy in enforcement, and great increase in expense to the tax-payer.

The present law consists of two fundamental provisions. The first is that all contracts on the part of the United States or the District of Columbia for the con-

struction, alteration, or repair of public buildings in excess of \$5,000 shall contain a stipulation that laborers and mechanics employed on such work shall be paid not less than the prevailing rate of wages for work of a similar nature in the city, town, village or other civil subdivision of the State in which the public buildings are located, or in the District of Columbia if the public buildings are located there. The second provision is that every such contract shall contain a further stipulation that in case any dispute arises as to what are the prevailing rates of wages which cannot be adjusted by the contracting officer the matter shall be referred to the Secretary of Labor for determination and that his decision thereon shall be conclusive on all parties to the contract. It does not require a determination of the rate of wages by any Government official before the contract is let, nor even afterwards unless a dispute arises over the prevailing rate of wages in the locality. Such disputes requiring decision by the Secretary of Labor under the present law have been comparatively few because in a majority of the cases presented prevailing rates of wages as required by that law and agreeable to the contractor, the laborers and mechanics in the locality, and to the contracting officer, have been arrived at in the practical way of negotiation and conciliation without the necessity of formal decisions.

This new amendatory proposal introduces a complication into the law by requiring that the advertised specifications for every such contract shall contain a provision stating the prevailing rate of wages in the city, town, village, or other civil subdivision of the State or the District of Columbia, as determined by the Secretary of Labor. An enormous amount of preinvestigation would be necessary by representatives of the Department of Labor before the letting of each contract within the terms of the act in excess of \$5,000. For, unless the fixing of the rate of wages be based upon a thorough personal investigation in the locality, the rate stated in the advertised specifications would only provoke dissatisfaction and controversy. Not only would the Government be put to great expense, but there would be cost and inconvenience to the contractors and to the employees remote from Washington to be represented personally before the Secretary of Labor at Washington for the consideration of their cases, all of which the Government would ultimately have to pay for in the contract price. Otherwise, investigations by competent representatives of the Secretary of Labor at great expense to the Government would have to be made in the locality in advance of the letting of every contract within the terms of this amendatory proposal. A large increase in the personnel of the Department of Labor would be necessary to deal with matters which experience under the present law has demonstrated in most cases do not arise and when they do arise can generally be adjusted through negotiation and conciliation to the satisfaction of all concerned. The policy of the present law is more practicable in requiring the investigation and decision by the Secretary of

Labor in cases only where a dispute arises after the contract is let that cannot be settled by the contracting officer. For that reason a more thorough investigation and careful consideration can be given by the Secretary of Labor and his staff in the comparatively few disputes reaching him for decision.

The present law applies only to public buildings and hence requires consideration only of the rates in the locality of the building work, but the amendatory proposal applies also to public works and that would involve rates varying from one locality or state to another for the same work, as, for instance, in levee work on the Mississippi or road building in national parks or Government reservations.

Under the present law the rate of wages is that for "all laborers and mechanics" employed under contracts within the law, but the amendatory proposal requires the determination of the rate of wages for the "various grades of mechanics and laborers," clearly indicating that the rate is to be determined not only for the different trades, as bricklayers and carpenters, but for the different grades of such workers within each trade, which would require an official determination of the comparative efficiency of individual workers employed on the work by the contractor or subcontractor.

The amendatory proposal provides for fixed monetary penalties and deductions to be imposed upon the contractor for violations, thus excluding the idea that he may be otherwise penalized. The present law affords superior protection by leaving the matter of breach of its stipulations to be treated like a breach of any other stipulation of the contract. For that reason all consequences of a breach to the laborers and mechanics, to the Government, and to the contractor or subcontractor, may be taken into account in determining whether the contract should be abrogated or what other measure should be taken by the Government.

The amendatory proposal introduces a further new provision declaring that when any of the departments or independent establishment of the United States, including the District of Columbia, performs work "by Government plant and hired labor" which could have been performed under contract, but not including work in arsenals or navy yards, or work performed by the Panama Canal, such departments and establishments, including the District of Columbia, shall also pay not less than the prevailing rate of wages as established by the Secretary of Labor at the time the work is undertaken. This not only requires the Secretary of Labor to determine in such cases the prevailing rate of wages, but necessarily also to determine whether the work is such as could be done by contract; and there is no provision as to the method of determining such facts or for any method for enforcing the findings of the Secretary of Labor. This new provision is obscure in many respects. For instance, it does not state any locality for use in determining the prevailing rate of wages for the purposes of this provision or whether it is

subject to the \$5,000 minimum limitation stated in another section of the bill relating to public works. Further, as to what is meant by "work" and whether "hired labor" would include permanent employees paid by the date or month at rates fixed according to other laws. Also, whether the provision applies only to work that is being done both in a Government plant and by hired labor or applies to either situation. A further obscurity is whether the provision is to apply when the work is not done by Government plant and hired labor but is let out to be done under contract.

The whole design of the new amendatory proposal requires an expansion of bureaucratic control over activities which now function effectively with the minimum of interference by the Government and that only when dispute arises.

W. N. DOAK
Secretary of Labor

June 30, 1932.

214

Message to the Congress Recommending Legislation
for the Relief of the Families
of Emilio Cortez Rubio and Manuel Gomez.
July 1, 1932

To the Congress of the United States:

I transmit herewith a report by the Secretary of State recommending the enactment of legislation for the purposes described therein, and the draft of a bill for this purpose.

The recommendations of the Secretary of State have my approval and I request the enactment of legislation for the purposes indicated in order that this Government may carry out the projects and meet the obligations outlined in the report.

HERBERT HOOVER

The White House,
July 1, 1932.

NOTE: Salvatore and Emilio Cortez Rubio were cousins of Pascual Ortiz Rubio, President of Mexico. See also 1931 volume, Item 221.

Secretary of State Henry L. Stimson's report follows:

The President:

I have the honor to transmit for submission to Congress, in case you approve, the following claims of the Mexican Government on behalf of its nationals with a view to obtaining the necessary authorization for payment:

Emilio Cortez Rubio, family of.....	\$15,000
Manuel Gomez, family of.....	15,000

Upon available information the facts upon which their claims are based are substantially as follows:

Early in the morning of June 7, 1931, Salvatore Cortez Rubio, Emilio Cortez Rubio, and Manuel Gomez, who had been attending schools in Kansas and Missouri, left Atchison, Kans., in an automobile belonging to Mr. Gomez, for their homes in the Republic of Mexico. In the car when they started were several firearms and ammunition for the weapons.

The party stopped at about 11 o'clock in the evening of June 7 in the outskirts of Ardmore, Okla., where the two Rubios alighted from the car and purchased root beer and sandwiches. Mr. Gomez, who was suffering from malaria, and who was wrapped in a blanket, did not leave the car. Shortly after the arrival of the Mexicans' car at the root-beer stand, William E. Guess and Cecil Crosby, deputy sheriffs of Carter County, Okla., in which the city of Ardmore is situated, drove up to the stand in an automobile. It appears that these officers had been searching for persons guilty of a recent robbery. The deputy sheriffs did not leave their car but drank root beer which was brought to them from the stand by an attendant. At this time they were about 10 feet away from the Rubios, who, they concluded, were not the persons for whom they were searching. No unfavorable comments were made by the officers in regard to the Mexican individuals.

They left the root-beer stand prior to the departure of the Mexicans, shortly thereafter stopping at a filling station, where they conversed with the attendant in charge, during which time the Mexicans' car passed the station. Very shortly thereafter the officers left the station and a little over a block beyond the station came upon the Mexicans' car, which had stopped. Officer Crosby had some conversation with Mr. Salvatore Cortez Rubio, during which it appears Crosby reprimanded Rubio for some action of the latter and that Crosby stated to Rubio that he was a deputy sheriff and exhibited his badge. This announcement and exhibition of badge, however, was later denied by Rubio. After reprimanding Rubio, Crosby stepped back to the east door of the car and asked the occupants where they were from. It is stated that on this occasion he exhibited his badge and announced his official position. The occupants of the car told Crosby that they were students returning from their schools to their homes in Mexico and in the course of the con-

versation Crosby observed that Emilio Cortez Rubio, who was seated nearest to him, held an automatic revolver in his hand.

It does not appear, however, that this revolver was pointed at Crosby or that either of the occupants of the car made any threatening movements. Crosby pulled his own weapon with his right hand and with his left hand grasped the revolver which was in Rubio's hand and, after some resistance on the part of the latter, succeeded in wresting the weapon from his possession. While all this was going on, Guess backed his car to the rear of the Mexicans' car and near the curb for the purpose, so he stated, of removing it from the path of traffic. He was thus in a position to observe the movements of Crosby and it seems that he heard enough of the conversation between Crosby and the Mexicans to know that the latter had declared themselves as students bound for their homes in Mexico. Guess stated that he observed the struggle between Crosby and Emilio Cortez Rubio for the possession of the revolver and that he saw Crosby take the revolver out of the car while he was holding his own revolver in his other hand. Guess alighted from his car and walked up to the Mexicans' car where he was confronted at the west door of the car by Manuel Gomez, who had just alighted therefrom and who was wrapped in a blanket.

Guess stated that Gomez held a revolver in his hand which was pointed at him and, without being clear as to whether or not he said anything to Gomez, he shot Gomez twice, as a result of which the latter fell to the pavement and died shortly thereafter. Guess stated that he heard a noise in the car and, turning to see what had occasioned it, he saw a man with his face turned toward the door which he had approached extracting a small pistol from his pocket and that, without addressing this man or being addressed by him. Guess immediately shot him once, the shot proving fatal within a few moments. After the shooting, the officers turned their attention toward Salvatore Cortez Rubio and ordered him to put up his hands, which he did. Rubio stated that as he was standing in the glare of the headlights of the car, he was unable to see the occurrences at the time of the shooting other than to note the flashes through the windshield, but he entertained no doubt but that Guess did all of the shooting.

Shortly after the shooting occurred, Matthew Alexander and Ott Holden, police officers of the city of Ardmore, who had passed the two cars just before the shooting and had noticed Crosby standing by the east door of the front car, parked their own car and returned to the scene of the shooting and, at the request of Guess, Holden took charge of Salvatore Cortez Rubio, upon whom no weapon was found. Both officers observed the body of Manuel Gomez lying on the pavement between his car and the curb and that Emilio Cortez Rubio was slumped in his seat with his head leaning against the door of the car, in a dying condition. Upon being requested by Guess, Alexander made a search and found a loaded revolver lying by the right side of Gomez, the safety clutch of which was said

to have been in a position permitting the discharge of the gun. The position of the bodies of the two Mexicans who were killed was observed by disinterested witnesses after the shooting. It further appeared that a few minutes after the shooting, but subsequent to the arrival of 8 or 10 persons upon the scene, Guess reached into the car and took therefrom, either from the seat or from the pocket of Emilio Cortez Rubio's clothing, a small Derringer pistol and a magazine containing ammunition.

Following the shooting, Salvatore Cortez Rubio was detained in the police station in Ardmore for the remainder of the night. He was released the next day and stayed in Ardmore until the conclusion of the trial of Guess.

The two officers, Guess and Crosby, were put on trial in the State courts of Oklahoma but were acquitted by the juries before whom the cases were tried. On the trial of the cases, it appeared that information was produced which indicated that that section of Oklahoma had been in a more or less disturbed state from the acts of criminal elements; that several peace officers had been killed or injured; and that, consequently, the peace officers were more or less in a nervous and excitable condition.

The killing of these Mexican youths resulted in the creation of an intense feeling on the part of the Mexican people which, whether or not justified, is bound to remain a source of irritation between the two Governments.

In the circumstances, and in view of the further fact that the whole incident was a most deplorable one, I believe that the payment of the foregoing claims, in the amounts stated, as an act of grace and without reference to the question of legal liability, would be warranted.

As a matter of convenience, a tentative draft of proposed legislation is transmitted herewith.

Respectfully submitted.

HENRY L. STIMSON

Department of State,
Washington, July 1, 1932.

215

Message to the Congress Requesting a Special Appropriation
for the President's Organization on Unemployment Relief.
July 5, 1932

To the Senate and House of Representatives:

The second Deficiency Bill just passed omitted an appropriation for continuance of the activities of the President's Organization on Unem-

ployment Relief. I urgently request that Congress make a special appropriation of \$120,000 to continue this work over the next fiscal year.

This organization, of which Mr. Walter S. Gifford is director, is comprised of leading men and women throughout every state in the Union and has served to establish and coordinate state and local volunteer effort in relief of distress throughout the nation. The organization has secured in a large way the cooperation of industry and labor, of the national social welfare organizations, and has assisted in mobilizing a large amount of voluntary funds and administering local resources to the best advantage. This organization is the only agency for national coordination and stimulation for the multitude of voluntary efforts and a clearing to these thousands of organizations with suggestions and methods for the alleviation of unemployment distress.

Should this organization be discontinued, not only would its important functions of stimulation of private giving and coordination be destroyed, but there would be grave danger of national, state and local volunteer groups concluding that services such as they have rendered were no longer necessary. Voluntary effort amongst our people is of far more importance both morally and financially than the direct aid of local or other governmental agencies. To demobilize this organization might easily create widespread confusion and bring great hardships when the need is greatest.

It is obviously of the utmost importance that no action be taken which shall in any way diminish voluntary efforts which combine the intimate knowledge of local conditions with the sense of responsibility toward fellow citizens and neighbors in distress. Continuance of this organization with its background of experience is, in my opinion, most essential to the intelligent carrying out of the provisions of all relief activities whether private or public.

The organization is made up primarily of volunteers serving without pay or expense. It is non-partisan and representative of various economic and social groups. To function successfully it must have funds to employ a relatively small number of trained personnel, together with necessary office help.

The appropriation requested for continuance of this organization is infinitesimal in its ratio to the large resources which are put at the command of those in distress and thus also relieves burdens upon municipalities, states and the federal government.

HERBERT HOOVER

The White House,
July 5, 1932.

NOTE: Congress did not enact the special appropriation requested by the President. The President's Organization on Unemployment Relief was officially terminated on June 30, 1932. The Emergency Relief Division of the Reconstruction Finance Corporation continued to carry out some of the organization's functions until March 1933.

216

White House Statement on Emergency Relief and Construction Legislation.

July 5, 1932

AT A CONFERENCE with leaders of the Senate and House the President stated his objections to the form of the relief bill as it now stands. There was general discussion of these objections and a general disposition to meet them and to reach a compromise agreement acceptable to all. In an effort to arrive at a definite conclusion it was agreed that a subcommittee should meet with the President tomorrow morning at 9 o'clock.

NOTE: The White House issued the statement following an evening meeting between the President and the congressional leadership. They met to discuss Presidential objections to the compromise measure (H.R. 12445), contained in the conference committee report which was filed earlier in the day.

217

Statement on Emergency Relief and Construction Legislation.
July 6, 1932

THE PRESIDENT said:

"I regret that the conferences in endeavor to arrive at a basis of a workable relief bill did not succeed. It is all the more regrettable since the deliberations this morning made it clear that it was possible to harmonize conflicting views and so reach an agreement were it not for the insistence of the Speaker on one point. The bill as reported by the conferees provides:

"First, provision for expanding the borrowing authority of the Reconstruction Corporation by \$1,500 million to be used for temporary financing of self-liquidating construction projects of public and semi-public character to increase employment.

"Second, Speaker Garner insists that the Corporation shall also make loans to any individual, any private corporation, any partnership, any State, or any municipality on any conceivable kind of security and for any conceivable purpose.

"Third, provision of a fund by the Reconstruction Corporation of \$100 million for the President, to be disposed of either as charity or as loans, and one of \$200 million to be loaned to State governments who are unable to finance themselves to care for distress, but such loans to be apportioned amongst the States on a per capita basis of population.

"Fourth, \$322 million of additional public works beyond the \$500 million of construction work now provided for in the budget.

"As to the first provision, the Reconstruction Corporation authority to make loans today is practically limited to institutions under State and Federal regulation, that is—banks, savings banks, building and loan associations, agricultural credit corporations, and railways. It is serving to protect the credit structure of the Nation whose collapse would mean the complete disaster to all and the savings of all the people that directly or indirectly are in the safekeeping of the great

fiduciary institutions, savings banks, insurance companies, building and loan associations. That is, the whole people.

"The provision to finance \$1,500 million self-liquidating construction projects for relief of unemployment comprised part of the proposals I had already made to the Congress.

"The fatal difficulty is the Speaker's insistence upon provision that loans should also be made to individuals, private corporations, partnerships, States, and municipalities on any conceivable security and for every purpose. Such an undertaking by the United States Government makes the Reconstruction Corporation the most gigantic banking and pawnbroking business in all history.

"There are 48 States and 16,000 municipalities who could under its terms dump their responsibilities upon the Federal Government. The purpose to take care of unemployment distress in such centers is provided for in the proposals of employment and loans to the States. The Speaker's proposal in no sense contributes to relieve such distress. It would compel the Reconstruction Corporation to attempt to deal with millions of people in terms of hundreds of thousands of small and large loans. It would result in dumping a vast amount of doubtful private and corporation debts on the Federal Treasury to no national purpose of relieving unemployment. It would require the extension of branch offices in every town and county in the United States and set up a huge bureaucracy able to dictate the welfare of millions of people and at the will of its agents deal favor and disaster amongst them. No group of seven men can so organize as not to discriminate unfairly between competitive enterprises. There is no body of men who could physically administer such a gigantic project. The Board of the Reconstruction Corporation, except one absent member, informs me unanimously that the making of loans to individuals is totally unworkable. It would undermine Federal credit and bring a vast increase in unemployment.

"I wish to emphasize what it means. Such a proposal means that the Reconstruction Finance Corporation is to take over an impossible task and most difficult part of the banking business that is to deal with the doubtful credits in the whole United States. To carry out such a purpose it would be necessary as I have said for the Board of seven men to

set up branch banks in practically every community and to direct their operations from Washington. It would be dependent upon men in these thousand branches. The task of organization and of finding competent personnel would not be a matter of months but of years. From an organization and administrative standpoint it is self-evident that the proposal is impossible of execution, and huge losses and great scandals must inevitably result from any attempt to do so.

“Any attempt to carry out such a law under these circumstances must mean the squandering of hundreds of millions of dollars of public funds. The Board would be flooded with hundreds of thousands of applications. There would be serious interference, if not a complete breakdown, of the vital activities it is now carrying on under high pressure. And there will be disappointment on the parts of hundreds and thousands of individuals and thousands of businesses who will have been led to believe that the credit of the United States Government was made available for their individual purposes. There will be inevitable discriminations. The organization would be subject to predatory corporations and interests everywhere.

“Aside from the utter impracticability of the proposal, no funds, or totally inadequate funds, are provided for the making of these loans. The bill as it came from the Senate provided for increasing the authority of the Reconstruction Finance Corporation to borrow by \$1,500 million for certain self-liquidating construction projects enumerated in the bill. Presumably the Senate did not provide more than it thought was necessary for these purposes. Not one penny is to be added for the making of these individual, private, corporation, and public loans. In other words, the Reconstruction Corporation is to be charged with a duty which is impossible to carry out in practice, and it is to be furnished with no additional funds with which to make the loans unless the Senate unemployment projects are to be abandoned.

“Some conception of the credit needs of the people of the United States may be had from the following figures. Total bank loans on December 31 last aggregated over \$31,600 million. This does not take into consideration loans made by insurance companies running into the billions, loans made by savings banks, mortgage companies, building

and loan associations amounting to \$9 billion, or the funded debt of corporations running into further billions.

“To hold out the hope to the people of the United States that the United States Government is prepared to take care of their credit needs with the ridiculously small sum provided, or the impossible organization urged, must be condemned, in addition to every other reason, as a deception. Furthermore, the statement of the Speaker that the Board can determine if it should enter upon such loans is a shifting of responsibility from the Congress to the Board which is itself misleading the hopes of the people.

“Under the provisions of the bill as it came from the Senate, the funds available to the Reconstruction Finance Corporation were increased from \$2 billion to \$3,800 million. Of this the Corporation must borrow \$3,300 million. The Corporation can only borrow such sum because its debentures are guaranteed by the United States, or, in other words, because the credit of the United States is pledged to secure its obligations. To sell any such vast amount of securities at a time like this is a difficult enough task, strong as is the credit of the United States Government. But it can only be done and done without danger to break down of the credit of the Government if the purposes for which the funds are to be used are economically sound and if the loans be made under such safeguards that they will be repaid, in order that the transactions will not constitute a charge on the general fund of the Treasury and the taxpayers. But if these funds are to be squandered by the making of loans for every conceivable purpose, with inadequate safeguards, it will at once become evident that the credit of the Government is being misused.

“We have sought during these difficult times to maintain as a pillar of unassailable strength the credit of the United States Government. It is not too much to say that the measure proposed and insisted upon even to the extent of defeat of relief legislation by the Speaker of the House threatens the credit of the United States Government and disaster to our people. The proposal violates every sound principle of public finance and of government.

“My objection to the second proposal of placing \$100 million at the disposal of the President was that the Federal Government should not

make direct charitable gifts to individuals and that such responsibility should not be placed on the President: A further objection is that the \$200 million of loans to States were allocated on a population basis, or \$1.66 per capita. A large part of the States are able to take care of their own and to finance their relief needs, and probably three-fourths of the total amount would be unused by such States or alternatively there would be every pressure upon State officials to demand the money even though there was no need.

"The funds assignable to States where there is acute need would, when reduced to the per capita of the people suffering from unemployment in those acute areas amount to less than \$10 per person for a whole year. The apparent large sums discussed would raise false hopes, would tend to destroy charity and undermine local and governmental contributions to the needy in several times the amount which would be made available. Furthermore, loans are to be made to States solely on the certificate of the Governor and administered solely by him. There is no precaution that the funds are to be administered under the ordinary checks and supervisions of the State governments or Federal Government. To allocate such large sums to a public official without restriction or the necessity of proper accounting and auditing is unheard of.

"As to the third point, that is the provisions to spend additional \$322 million on public works, my objections were that the cost of these works ultimately comes from the taxpayer and will produce a deficit in the budget by just the amount expended; that it discards to the winds every effort made to balance the budget. Many of the works designed are remote from centers of unemployment. The technicians of the Government state that it would give during the year an average direct employment to less than 100,000 out of a total of 8 million unemployed.

"It was, however, possible to reach a fair adjustment of the proposal as to \$300 million loans to the States which may be unable to relieve distress, and to protect the Treasury in large measure in the matter of the \$322 million of nonproductive public works. We are in agreement in the provision of temporary loans by the Reconstruction Corporation to finance \$1,500 million of productive construction work for the unemployed.

“There is unquestioned need for the passage of legislation to take care of unemployment and such cases of destitution as the resources of the States are unable to meet. I have recommended such legislation. While I am determined that there shall be relief legislation at this session of Congress, I cannot accept the proposal up to now insisted upon by Speaker Garner as a condition to securing his support, for I do not propose to further increase unemployment by such disastrous action as is now proposed through jeopardizing the whole credit of the Government and laying our people open to every kind of injustice and loss.”

218

Letter to the Speaker of the House Transmitting an Estimate of Appropriation for the Veterans' Administration.

July 6, 1932

Sir:

I have the honor to transmit herewith for the consideration of Congress an estimate of appropriation for the Veterans' Administration, for the fiscal year ending June 30, 1933, in the sum of \$100,000, to enable the Administrator of Veterans' Affairs to furnish, prior to July 15, 1932, railroad transportation, together with subsistence, to honorably discharged veterans of the World War temporarily quartered in the District of Columbia.

Further details regarding this estimate are set forth in the letter of the Director of the Bureau of the Budget transmitted herewith.

Respectfully,

HERBERT HOOVER

The White House,

July 6, 1932.

[The Speaker of the House of Representatives]

NOTE: Legislation implementing the request was enacted on July 8, 1932 (Public Res. 35, 47 Stat. 654). Aided by it and a subsequent 10-day extension, approximately 5,750 members of the so-called bonus army left Washington.

A text of the letter from the Director of the Budget, dated the same day and transmitted with the President's letter, follows:

Sir:

By your direction, I have the honor to submit herewith an estimate of appropriation for the Veterans' Administration for the fiscal year ending June 30, 1933, as follows:

Veterans' Administration—For the purpose of enabling the Administrator of Veterans Affairs, upon the request of any honorably discharged veteran of the World War, temporarily quartered in the District of Columbia, who is desirous of returning to his home, to provide such veteran with railroad transportation thereto prior to July 15, 1932, together with travel subsistence at the rate of 75 cents per day, \$100,000: *Provided*, That all amounts expended under this appropriation in behalf of any veteran shall constitute a loan without interest which, if not repaid to the United States, shall be deducted from any amounts payable to such veteran on his adjusted service certificate: Estimate, 1933..... \$100,000

A joint resolution to authorize an appropriation of funds for the purposes set forth in this estimate (S.J. Res. 186) passed the Senate June 28, 1932, and is now pending in the House of Representatives.

Respectfully,

J. CLAWSON ROOP

Director of the Bureau of the Budget

[The President]

219

Telegram to Governor Franklin D. Roosevelt of New York
About the Great Lakes-St. Lawrence Deep Waterway.

July 10, 1932

I AM IN RECEIPT of your telegram of July 9th. I am glad to assure you that the negotiations between the United States and the Dominion of Canada in respect to the Great Lakes Waterway are making progress and that it will not be necessary to interrupt your cruise by a visit to Washington.

These negotiations, as you know, involving a score of intricate problems, have been under way for nearly three years and have now reached

a hopeful aspect. While under our Constitution international treaties fall within the sole jurisdiction of the Federal Government, nevertheless the representatives appointed by you and leaders in other states primarily concerned have been consulted during the course of the negotiations. I am in hopes an agreement can be reached between the two governments, but it has not yet been concluded, and I shall be glad to have you advised when this occurs.

The question of the disposal of the byproduct of power which will result from the works which border the State of New York, like all domestic questions of this character affecting the two countries, is reserved by the proposed treaty for purely domestic action by each country. This disposal is not the subject of international agreement. If a treaty is concluded and is ratified by the Senate, then the domestic questions which may arise must be settled through the action of both the Senate and House of Representatives in accordance with federal and state law and in accord with the interest of all the states of the Union.

You will realize that neither you nor I have authority to enter upon agreements in respect to these domestic questions, but if the treaty is consummated and ratified I shall be glad to consult with you and other governors. I have no doubt that we can make such recommendations to the Congress as will be helpful to them in solving the particular domestic problems relating to each state.

Having ardently advocated for over ten years the great work of completing this shipway from Duluth and Chicago to the sea, I am glad to know that it will meet with your support.

HERBERT HOOVER

NOTE: A text of Governor Roosevelt's telegram, dated July 9, 1932, follows:

The power authority of the state of New York has officially reported to me the status of its negotiations with the state department in the matter of effecting an agreement between the federal administration and the state of New York in connection with the development of the St. Lawrence river for navigation and power.

According to this report after many protracted conferences between the state department and the New York state power authority over a period of many months the Secretary of State has referred the issues to you for final determination.

The question, failure to agree upon which has prevented complete accord, is the proportion of the cost to be borne by the state of New York. I am sure that you agree with me that prompt and speedy settlement of this only question remaining unsettled is a matter of vital necessity. It is a vital necessity for the simple fact that this great project involves two objectives of equal importance and cannot in public justice accomplish one without the other. I am deeply interested in the immediate construction of the deep water way as well as in the development of abundant and cheap power. The state of New York not only owns this potential power but seeks through a state agency to make it available to millions of people at reasonable cost. That is why the determination of the share of the total cost of construction to be paid for by this state is a present factor which should not be relegated to later negotiations between us.

Four sovereignties are involved: The Dominion of Canada and the province of Ontario, The United States and the state of New York. In Canada the Premier of Canada and the Premier of Ontario have directly conducted negotiations on this very subject. In international matters affecting the joint rights and interests of the United States government and one or more of its sovereign states, an understanding should be reached between the federal and state governments as a condition precedent to the conclusion of negotiation with a foreign nation. In view of this therefore it is my belief that through a personal conference between us this could be promptly solved.

With such an agreement between the federal administration and the state of New York it would be my hope that it would be possible to submit a treaty to the Senate for immediate and I hope favorable action as soon as signed. May I respectfully point out that such action would hasten greatly the initiation of this vast project—one which means cheap transportation by deep waterway for the agricultural and other products of the west; cheap electricity from the state owned and controlled resource to be developed for the primary interest of homes, farms, and industries; and, of immediate importance, employment for thousands of workers. If by thus cutting red tape and eliminating formalities we could work together to secure early and final action on this great public work it would be greatly to the public interest. It has already been too long delayed.

I hold myself subject to your call and am ready to go to Washington on forty-eight hours notice at your convenience. I shall be on a cruise between New York and Cape Cod this week but will be in port each night. Word to Albany will be forwarded promptly.

FRANKLIN D. ROOSEVELT
Governor of New York

[The President, The White House]

220

Message to the Congress Recommending
Alterations in the Board of Directors
of the Reconstruction Finance Corporation.
July 11, 1932

To the Senate and House of Representatives:

Section three of the Act creating the Reconstruction Finance Corporation provides:

“The management of the Corporation shall be vested in a board of directors consisting of the Secretary of the Treasury, or in his absence, the Under Secretary of the Treasury, the governor of the Federal Reserve Board, and the Farm Loan Commissioner, who shall be members ex-officio, and four other persons appointed by the President of the United States, by and with the advice and consent of the Senate. Of the seven members of the Board of Directors not more than four shall be members of any one political party and not more than one shall be appointed from any one federal reserve district.”

The extraordinary heavy burdens placed upon the directors of the Corporation during the past few months have resulted in the overwork especially of the ex officio members. It has within the past few days arrived at a point where there is danger of a physical breakdown among the ex officio members in their endeavor to carrying dual duties.

I therefore recommend to the Congress an amendment to the Act which would eliminate the Governor of the Federal Reserve Board and the Farm Loan Commissioner as members ex officio when successors shall have been appointed. It is important that the Secretary of the Treasury shall remain as an ex officio member and under the provisions for the Under Secretary to act as an alternate it offers the necessary relief. It is desirable that the Treasury should maintain its intimate association with the Corporation because of the great financial problems involved in government issues.

In order that the operations of the Corporation may be conducted with certainty and public confidence, both as to its non-partisan char-

acter and its personnel, I recommend that the number of the Board be increased to eight, of whom not more than four shall belong to any one political party.

HERBERT HOOVER

The White House,
July 11, 1932.

NOTE: Section 208 of the Emergency Relief and Construction Act of 1932 (Public, No. 302, 47 Stat. 709), approved July 21, 1932, provided that "the management of the corporation shall be vested in a board of directors consisting of the Secretary of the Treasury (or, in his absence, the Under Secretary of the Treasury), who shall be a member ex officio, and six other persons appointed by the President of the United States by and with the advice and consent of the Senate."

221

Veto of the Emergency Relief and Construction Bill.
July 11, 1932

To the House of Representatives:

I am returning herewith, without my approval, H. R. 12445, "Emergency relief and construction act of 1932."

On the 31st of May last I addressed the Senate recommending further definite and large-scale measures to aid in relief of distress and unemployment imposed upon us by the continued degeneration in the world economic situation. These proposals were made after discussion with leaders of both political parties in Congress and in endeavor to secure united nonpartisan action.

They were in brief:

1. Authorization to the Reconstruction Corporation to loan up to \$300,000,000 to State governments which are unable to finance themselves to care for distress, such loans to be made upon the basis of need.
2. Authorization to the Reconstruction Finance Corporation to buy bonds or otherwise temporarily to finance public bodies and to provide part of needed loans in limited cases also to private industry, to increase

employment through construction of sound self-liquidating or income-producing projects.

3. Authorization to the corporation to undertake to finance exports of agricultural products and to make loans to institutions on the security of agricultural commodities in order to assure the carrying of normal stocks and the orderly marketing of these commodities.

4. To increase authority of the corporation to issue securities by a further \$1,500,000,000.

The bill now under consideration consists of three titles, of which I shall first refer to Title I and Title III:

TITLE I

As this title has been amended, it now stands in accord with my recommendation.

TITLE III

This portion of the measure proposes to expend \$322,000,000 on public works. I have expressed myself at various times upon the extreme undesirability of increasing expenditure on nonproductive public works beyond the \$500,000,000 of construction already in the Budget. It is an ultimate burden upon the taxpayer. It unbalances the Budget after all our efforts to attain that object. It does not accomplish the purpose in creating employment for which it is designed, as is shown by the reports of the technical heads of the bureaus concerned that the total annual direct employment under this program would be less than 100,000 out of the 8,000,000 unemployed. Strongly as I feel that this departs from sound public finance, and that it does not accomplish the purpose of which it is instituted, I am not prepared for this reason alone to withhold my assent to the bill provided there is a proper provision that (except for expenditure on public roads which is deductible from future appropriations, together with park and forest roads and trails) these works should not be initiated except on certificate of the Secretary of the Treasury that the moneys necessary for such expenditure are available or can be obtained without interference with current financing operations

of the Government. The expression of this principle in the present bill is not in this form and is not adequate.

TITLE II

This title is the major extension of the authority of the Reconstruction Finance Corporation. The creation of the Reconstruction Finance Corporation itself was warranted only as a temporary measure to safely pass a grave national emergency which would otherwise have plunged us into destructive panic in consequence of the financial collapse in Europe. Its purpose was to preserve the credit structure of the nation and thereby protect every individual in his employment, his farm, his bank deposits, his insurance policy, and his other savings, all of which are directly or indirectly in the safe keeping of the great fiduciary institutions. Its authority was limited practically to loans to institutions which are under Federal or State control or regulation and affected with public interest. These functions were and are in the interest of the whole people.

Our problem now is to further widen the activities of the Reconstruction Corporation in the field of employment and to further strengthen agriculture in such a practical fashion as will benefit the whole people, as will not damage any part of the people and confer no special privileges upon any of the people.

So far as those portions of the proposed extension of authority to the corporation provide authorization temporarily to finance self-liquidating works up to the sum of \$1,500,000,000, it is in accord with my recommendations. The section dealing with agricultural relief does not provide for loans to sound institutions upon the security of agricultural products in order to assist in production and finance of normal holdings and stocks of these commodities and thus aid in the orderly marketing of agricultural products so sorely needed at the present time. Such action would contribute to improve price levels of farm products.

There are several secondary objections to this title with which I will not trouble the Congress, because my major objection to the measure, as now formulated, lies in the inclusion of an extraordinary extension

of authority to the Reconstruction Corporation to make loans to "individuals, to trusts, estates, partnerships, corporations (public or quasi public or private), to associations, joint-stock companies, States, political subdivisions of States, municipalities, or political subdivisions thereof." The following objections are directed to this particular provision:

First. This expansion of authority of the Reconstruction Corporation would mean loans against security for any conceivable purpose on any conceivable security to anybody who wants money. It would place the Government in private business in such fashion as to violate the very principle of public relations upon which we have builded our Nation, and render insecure its very foundations. Such action would make the Reconstruction Corporation the greatest banking and money-lending institution of all history. It would constitute a gigantic centralization of banking and finance to which the American people have been properly opposed for the past 100 years. The purpose of the expansion is no longer in the spirit of solving a great major emergency but to establish a privilege whether it serves a great national end or not.

Second. One of the most serious objections is that under the provisions of this bill those amongst 16,000 municipalities and the different States that have failed courageously to meet their responsibilities and to balance their own budgets would dump their financial liabilities and problems upon the Federal Government. All proper and insuperable difficulties they may confront in providing relief for distress are fully and carefully met under other provisions in the bill.

Third. The board of directors of the Reconstruction Corporation informed me unanimously that miscellaneous loans under this provision are totally impracticable and unworkable. It would be necessary to set up a huge bureaucracy, to establish branches in every county and town in the United States. The task of organization, of finding competent personnel, would not be a matter of months but of years. Hundreds of thousands of applications representing every diversity of business and interest in the country would immediately flood the board, all of which must be passed upon by seven men. The directors would be dependent upon the ability and integrity of local committees and branch managers. Every political pressure would be assembled for par-

ticular persons. It would be within the power of these agencies to dictate the welfare of millions of people, to discriminate between competitive business at will, and to deal favor and disaster amongst them. If it be contended that these hundreds of thousands of miscellaneous loans will be used to increase employment, then an additional bureaucracy for espionage must follow up each case and assure that these funds be used for such purpose.

Fourth. The sole limitation under the bill is that loans shall be secured and that the borrowers shall not have been able to obtain loans from private institutions upon acceptable terms. This at once throws upon the corporation all the doubtful loans in the United States. It would result in every financial institution calling upon their customers whom they regard as less adequately secured to discharge their loans and to demand the money from the Government through the Reconstruction Corporation. The organization would be constantly subjected to conspiracies and raids of predatory interests, individuals, and private corporations. Huge losses and great scandals must inevitably result. It would mean the squandering of hundreds of millions of public funds to be ultimately borne by the taxpayer.

Fifth. The bill provides only the funds to the corporation which the Senate with reason deemed the minimum necessary to aid construction projects and to cover loans to the States in aid of distress. There is, therefore, no provision in the bill for any sum of money for the purpose of these miscellaneous loans. The corporation would thereby be charged with a duty impossible to carry out in practice with no additional funds with which to make loans unless the unemployment projects and the loans to the States are abandoned or seriously curtailed and the fundamental purpose of the legislation defeated.

Sixth. Under the new obligations upon the Reconstruction Corporation to finance the additional construction activities and loans to the States in addition to its present activities it will be necessary for the corporation to place over \$3,000,000,000 of securities. It can place these securities only because the credit of the United States is pledged to secure these obligations. To sell any such vast amount of securities at a time

like this is a difficult enough task, strong as is the credit of the United States, without having the credit of the Government undermined by the character of use to which it is directed that these moneys should be applied. As long as obligations of the corporation are based on wholly sound securities for self-liquidating purposes, of which early repayment is assured, there is no burden upon the taxpayer. There is an assurance of a strengthening of the economic situation. But if the funds of the corporation are to be squandered by making loans for the purposes here referred to, it will be at once evident that the credit of the Government is being misused and it is not too much to say that if such a measure should become law it further weakens the whole economic situation by threatening the credit of the United States Government with grave consequences of disaster to our people.

CONCLUSION

This proposal violates every sound principle of public finance and of government. Never before has so dangerous a suggestion been seriously made to our country. Never before has so much power for evil been placed at the unlimited discretion of seven individuals.

In view of the short time left to the Congress for consideration of this legislation and of the urgent need for sound relief measures, the necessity of which I have on several occasions urged upon the Congress, I recommend that a compromise should be reached upon terms suggested by members of both Houses and both parties, and that the Congress should not adjourn until this is accomplished. Such compromise proposal should embrace:

First. Title I of H.R. 12445, the act now under consideration, covering provisions for loans to States in amount of \$300,000,000 for the care of distress in States where needed.

Second. Title III of this act, with the provision made applicable to all parts of the title except for roads and trails, that such works shall not be initiated except on certificate of the Secretary of the Treasury that the funds necessary are available and can be obtained without interference with the current financing operations of the Government.

Third. That there should be substituted for Title II the substance of the provisions in the substitute bill introduced by Senator Wagner and passed by the Senate, or Senate bill 4822, introduced by Senator Barbour, or section 4 of the substitute bill introduced by Representative Hawley. Among them they provide not only loans for construction work of projects of self-liquidating character but also essential aids to agriculture.

Fourth. That the corporation be authorized to increase its issues of capital by \$1,800,000,000 for these purposes.

With the utmost seriousness I urge the Congress to enact a relief measure, but I can not approve the measure before me fraught as it is with possibilities of misfeasance and special privileges, so impracticable of administration, so dangerous to public credit and so damaging to our whole conception of governmental relations to the people as to bring far more distress than it will cure.

HERBERT HOOVER

The White House,
July 11, 1932.

NOTE: The House of Representatives referred the bill to the Ways and Means Committee. A compromise measure, which satisfied the President's objections, passed the House on July 15, 1932, and the Senate on July 16. For the President's statement about signing that measure, see Item 233.

222

Message to President Albert Lebrun of France
on the Sinking of the Submarine *Prométhée*.
July 11, 1932

[Released July 11, 1932. Dated July 9, 1932]

I HAVE LEARNED with deep concern of the distressing accident which has involved the officers and men of the submarine *Prométhée*, and desire to assure Your Excellency of the sympathetic anxiety which the American people and I share with France on this sad occasion.

HERBERT HOOVER

[223] July 11 *Public Papers of the Presidents*

[His Excellency Albert Lebrun, President of the French Republic, Paris]

NOTE: On July 7, 1932, the French submarine sank at a point 7 miles north of Cape Levi, France. Sixty-two crew members perished.

223

Message to the Conference of Smaller Industries.

July 11, 1932

[Released July 11, 1932. Dated July 6, 1932]

My dear Mr. Young:

I am glad to learn that the highly successful Conference on Management Problems of the Smaller Industries that was held last year is to be followed up this year by a similar Conference next week. It would be difficult to overstate the value of these smaller industries in the economic life of the Nation, providing as they do the bulk of the most varied manufactured products of the country and contributing to the most intensive development of local resources in every region. They are also vitally important in the human sense for they employ more than half of the industrial labor in the United States, and their problems of employee relations therefore affect the well-being of this great element of our population. I will be obliged if you will express to those gathered for this Conference my cordial greetings and my hearty good wishes for a meeting helpful to them and to those dependent upon them for the opportunity to earn their livelihood.

Yours faithfully,

HERBERT HOOVER

[Mr. Arthur H. Young, Chairman, Silver Bay Industrial Institute, Silver Bay, New York]

NOTE: The message was read at the opening session of the second annual conference which met in Silver Bay, N.Y.

224

Statement About Signing a Bill Relating
to the Purchase of a Post Office Site for New York City.

July 12, 1932

THE PRESIDENT said:

"I have today signed H.R. 12360 which permits the Treasury Department to appraise and negotiate for a post office site in the city of New York. The bill is purely permissive and does not commit the Government to purchase and no commitment will be made before the congressional authorities have an opportunity to examine into the matter during the next session.

"I make this statement because a number of protests have been received from other property owners in New York City under the impression that the law provides for the acquisition of the property concerned at a specific price which is not the case."

NOTE: As enacted, the bill (H.R. 12360), approved July 12, 1932, is Public, No. 278 (47 Stat. 656).

225

Letter to the Speaker of the House Transmitting
a Supplemental Estimate of Appropriation
for the Veterans' Administration.

July 13, 1932

Sir:

I have the honor to transmit herewith for the consideration of Congress a supplemental estimate for the Veterans' Administration, for the fiscal year ending June 30, 1933, in the nature of a proposed amendment of Public Resolution No. 35, entitled "Joint Resolution making an appropriation to provide transportation to their homes for veterans of the World War temporarily quartered in the District of Columbia," approved July 8, 1932.

Further details regarding this estimate and the necessity therefor, are set forth in the letters of the Director of the Bureau of the Budget and the Administrator of Veterans' Affairs transmitted herewith.

Respectfully,

HERBERT HOOVER

The White House,
July 13, 1932.

[The Speaker of the House of Representatives]

NOTE: Legislation implementing the recommendation and extending the time limit for transportation loans from July 14 to July 24, 1932, was approved on July 15 (Public Res. 39, 47 Stat. 701).

Texts of the letters of the Director of the Budget and the Administrator of Veterans' Affairs, dated July 12, 1932, follow:

Sir:

I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the Veterans' Administration in the nature of a proposed amendment of Public Resolution No. 35, entitled "Joint resolution making an appropriation to provide transportation to their homes for veterans of the World War temporarily quartered in the District of Columbia," approved July 8, 1932, which would make that resolution read as follows:

That to enable the Administrator of Veterans' Affairs upon the request of any honorably discharged veteran of the World War temporarily quartered in the District of Columbia who is desirous of returning to his home, to provide such veteran with transportation thereto prior to July 25, 1932, by railroad or such other means of transportation as the Administrator of Veterans' Affairs may approve, including allowance in advance for gas and oil for travel in privately owned automobile, together with travel subsistence at the rate of 75 cents per day, there is hereby appropriated out of any money in the Treasury not otherwise appropriated the sum of \$100,000 and in the event such amount is insufficient there is hereby appropriated out of the general post fund authorized by the act of July 1, 1902, and the act of June 25, 1910 (U.S.C., title 24, secs. 139 and 136), such amount as the Administrator of Veterans' Affairs may determine to be necessary: *Provided*, That where transportation is authorized by other than railroad the amount allowed for same shall not exceed the cost of railroad transportation: *Provided further*, That all amounts expended under this appropriation in behalf of any veteran shall constitute a loan without interest which if not repaid to the United States shall be deducted from any amount payable to such veteran on his adjusted-service certificate.

This proposed amendment is recommended by the Administrator of Veterans' Affairs and his reasons therefor are set forth in his letter of July 12, 1932, which is transmitted herewith.

I recommend that this supplemental estimate be submitted to Congress.

Very respectfully,

J. CLAWSON ROOP

Director of the Bureau of the Budget

[The President]

My Dear Colonel Roop:

I am attaching a proposed joint resolution which is to be considered by the Appropriations Committee of the House of Representatives to-morrow morning, looking to an extension of 10 days in the terms of Public Resolution No. 35, approved July 8, 1932, permitting the use of money appropriated and otherwise made available for granting allowance in advance for gas and oil for travel in privately owned automobile to the extent that travel would cost by railroad and making available over and above the \$100,000 originally appropriated, to the extent necessary, funds in the general post fund authorized by the act of July 1, 1902, and the act of June 25, 1910.

The purpose of this joint resolution is to give greater effectiveness to the original resolution approved through extending the time of its operation and vesting certain discretion in its administration. The Veterans' Administration estimates that there are between 7,500 and 8,000 veterans temporarily residing in the District of Columbia and environs in connection with legislation relative to the cash payment of adjusted-service certificates. It is estimated on the basis of the present experience that the \$100,000 originally appropriated would permit the transportation by railroad and the furnishing of necessary travel subsistence to approximately 6,500 men. Experience to 2 p.m., July 12, 1932, shows that 1,185 railroad transportation requests had been issued, that 1,031 veterans had actually departed by train, and that 42 veterans had actually departed by automobile. Over and above this, 12 women and 13 children have been sent with the veterans through the cooperation of the American Red Cross.

At the present rate of progress it is probable that by the expiration date of the present legislation, namely, midnight, July 14, 1932, a considerable number of veterans will continue to be temporarily in Washington. It is felt that with an extension of time for this resolution to operate, and having in mind the probable adjournment of Congress in the interim, a very considerable number of veterans will take advantage of the opportunity offered for transportation home. It is believed that the extension recommended is in the interest of the Government and will go far in solving the problem presented to the District of Columbia in the congregation of veterans in the several encampments.

[226] July 13 *Public Papers of the Presidents*

So far as the post fund is concerned which it is proposed to authorize me as Administrator of Veterans' Affairs to utilize, you are advised that as of the present time this fund amounts to approximately \$1,200,000, and if the estimates of the Veterans' Administration are reasonably correct, the money contemplated to be appropriated from the post fund will not run in excess of \$25,000.

Very truly yours,
FRANK T. HINES
Administrator

[Hon. J. Clawson Roop, Director of the Bureau of the Budget, Washington, D.C.]

226

Statement on the Great Lakes-St. Lawrence Deep Waterway.
July 13, 1932

AN ANNOUNCEMENT was made at the White House today that after a long period of intensive negotiations an outline of a treaty was concluded the middle of June; the terms were finally settled yesterday and the treaty is now in process of construction and will be ready for signature at an early date, when a full statement by the governments concerned will be issued.

227

Message to the Dedication Ceremonies
of the International Peace Garden.
July 14, 1932

[Released July 14, 1932. Dated July 13, 1932]

I EXTEND to your Association and to the citizens of Canada and the United States gathered to dedicate the International Peace Garden my hearty congratulations on this beautiful embodiment of your ideals. It is both touching and rich in future promise that this garden has been made possible principally by popular contributions from the school children of both countries. Thus it will not only symbolize more than a

316

century of peace between neighbors but will also grow in significance with their growth in understanding of their share in sustaining the historic friendship between our two great nations.

HERBERT HOOVER

[The International Peace Garden Association, c/o Mr. W. V. Udall, Boissevain, Manitoba]

NOTE: The message was read at the dedication ceremonies of the garden on July 14, 1932.

The International Peace Garden is located on a plateau in the Turtle Mountains on the international boundary between Dunseith, North Dakota and Boissevain, Manitoba, Canada.

228

Letter to the Chairman
of the Senate Foreign Relations Committee
About the Lausanne Agreements.
July 14, 1932

My dear Mr. Senator:

I have your inquiry this morning, through Secretary Stimson, as to the effect on the United States of recent agreements in Europe.

Our people are, of course, gratified at the settlement of the strictly European problem of reparations or any of the other political or economic questions that have impeded European recovery. Such action, together with the real progress in disarmament, will contribute greatly to world stability.

I wish to make it absolutely clear, however, that the United States has not been consulted regarding any of the agreements reported by the press to have been concluded recently at Lausanne and that of course it is not a party to, nor in any way committed to any such agreements.

While I do not assume it to be the purpose of any of these agreements to effect combined action of our debtors, if it shall be so interpreted then I do not propose that the American people shall be pressed into

any line of action or that our policies shall be in any way influenced by such a combination either open or implied.

Yours faithfully,

HERBERT HOOVER

[The Honorable William E. Borah, United States Senate]

NOTE: On July 9, 1932, representatives of Belgium, France, Germany, Italy, Japan, and the United Kingdom, meeting at Lausanne, Switzerland, reached an agreement under which the German reparation debt was reduced to 3 billion marks. Ratification of the agreement was made conditional on a satisfactory agreement between the signatory powers and their creditors.

229

Message to President Albert Lebrun
of France on Bastille Day.

July 14, 1932

ACCEPT my most cordial greetings on this memorable anniversary and the assurance of my high regard and best wishes.

HERBERT HOOVER

[His Excellency Albert Lebrun, President of the French Republic, Paris, France]

230

White House Statement on the Publicity Amendment
to the Emergency Relief and Construction Bill.

July 15, 1932

AS A RESULT of the publicity amendment and the attitude of insistence of the House upon its position, the Reconstruction Finance Corporation met late yesterday and advised the President of the damage that would result to the financial credit structure of this country if this amendment were insisted upon. By reason of that fact, the President felt

impelled to call the available conferees on the bill into conference where an opportunity could be afforded for the Reconstruction Finance Corporation Board and the only available Senate conferees to meet and hear what they had to say.

All present frankly stated their views as to what would be the specific results and outcome if this publicity amendment were insisted upon. President Hoover stated to the conference his policy was and had been to give the fullest publicity to all governmental activities, but that he wished the Congress to be fully and absolutely apprised in view of the urgency of the emergency situation and of the unique relations of the Reconstruction Finance Corporation with building and loan associations, insurance companies, banks, and other financial institutions generally and of the consequent responsibility that lay upon Congress in the considering of the unanimous views of the Reconstruction Finance Corporation Board and what they had to say about the situation.

Having made it possible for the Board to acquaint these Members with its views, then the responsibility, in the final analysis, for whatever might happen must necessarily rest upon Congress.

NOTE: As printed above, this item follows the text set forth in a contemporary news account.

The Rainey amendment, requiring monthly reports to the Congress on RFC loans, was added to the proposed legislation on July 13, 1932.

On the same day, the White House issued the text of a statement by the Board of Directors of the Reconstruction Finance Corporation, dated July 14, which follows:

The attention of the Board of Directors of the Reconstruction Finance Corporation has been called to a provision inserted yesterday by the House of Representatives in the so-called "Relief Bill" providing for the monthly publication of a report covering all of the activities of the Reconstruction Finance Corporation "together with a statement showing the names of the borrowers to whom loans and advances were made, and the amount involved in each case."

This would mean that all loans made, or to be made, by this Corporation to banks, insurance companies, mortgage loan companies, building and loan associations and other financial institutions would become public property.

In the opinion of the Board, this provision, if enacted into law, would undo much that has been accomplished by this Corporation in preserving the credit structure of the Nation and, in a large measure, restrict its usefulness in the future. The publication of the loans made by this Corporation to the financial and fiduciary institutions above enumerated, whose relations with the public are of a particularly sensitive character, would, in the Board's judgment, be decidedly harmful, more especially, if the fact that these institutions are borrowing from this Corporation and the amount of the loans is published, as it would be, without adequate explanation of their circumstances or resources or the conditions under which the advances were made.

One of the fundamental purposes of the Reconstruction Finance Corporation is to strengthen our credit structure and to prevent bank closings under the extremely difficult conditions resulting from this great depression. No one can contend that the publication of the names of the thirty-six hundred (3,600) banks that have borrowed from this Corporation will tend to strengthen their position. In the absence of a complete explanation of all of the circumstances, which this Corporation clearly could not give in the reports contemplated, it is self-evident that such a procedure, far from strengthening these institutions, would weaken them, and thus destroy the very purpose for which the Corporation was created.

And what is true of the banks is, in large measure, true of the other institutions.

Such a provision was considered by both Houses at the time the Reconstruction Finance Corporation Act was enacted and rejected by both of them for the reasons above mentioned.

The reason advanced in favor of such a proposal is that this kind of publicity is necessary in order to subject to constant scrutiny the actions of the Corporation.

But such an objective can equally well be attained through a select committee of the Senate or House, to whom the books of the Corporation would be opened at all times, as has already been provided by the Senate. The Senate Committee has asked for the very information provided for in the section above-mentioned. The information is being compiled and will be furnished to that Committee at an early date. Thus, the public interests are fully safe-guarded.

In the unanimous opinion of the Board, therefore, not only is there no necessity for the paragraph inserted in the House Bill, but such a provision is against the public interest and may result in irreparable damage.

By direction of the Board of Directors:

Respectfully,
G. R. COOKSEY,
Secretary

231

White House Statement on Salary
Reductions for Members of the Cabinet.

July 15, 1932

THE PRESIDENT has received the unanimous request from members of the Cabinet that they should be subjected to the maximum reduction of salaries possible under the economy bill. The President has, therefore, issued the necessary order by which they will be reduced 15 percent instead of the alternative which would amount to $8\frac{1}{3}$ percent under the furlough provisions.

NOTE: The 15 percent reduction meant that the Cabinet members would receive \$12,750 a year rather than \$15,000. The President also reduced his own salary from \$75,000 to \$60,000.

232

Message on the Dedication of Owyhee Dam.

July 17, 1932

[Released July 17, 1932. Dated July 16, 1932]

I SEND CORDIAL greetings and my hearty congratulations to all those in attendance at the dedication exercises commemorating the completion of the highest dam in the world, the Owyhee. It is another great monument to the skill of American engineers. It will exercise a permanently stabilizing effect on your community through knowledge that the necessary element to success, a sufficient water supply at all times, has been supplied. The sympathy of the administration and the Congress and the whole-hearted and fine spirit of the people of this community have cooperated to make the completion of this dam possible.

HERBERT HOOVER

[Hon. Ray Lyman Wilbur, c/o Frank A. Banks, Engineer in Charge, U.S. Reclamation Service, Owyhee, Oregon]

NOTE: Secretary of the Interior Ray Lyman Wilbur read the message at dedication ceremonies for the dam, located on the Snake River in Oregon.

233

Statement About Signing
the Emergency Relief and Construction Act of 1932.
July 17, 1932

THE PRESIDENT stated:

"I expect to sign the relief bill on Tuesday. I do wish to express the appreciation which I have and I know that the country has to those leaders of both political parties who have cooperated to put the bill into effective shape and to eliminate the destructive proposals which were from time to time injected into it.

"Its three major features are—

"First—through provision of \$300 million of temporary loans by the Reconstruction Corporation to such States as are absolutely unable to finance the relief of distress, we have a solid backlog of assurance that there need be no hunger and cold in the United States. These loans are to be based upon absolute need and evidence of financial exhaustion. I do not expect any State to resort to it except as a last extremity.

"Second—through the provision for \$1,500 million of loans by the Reconstruction Corporation for reproductive construction work of public character on terms which will be repaid, we should ultimately be able to find employment for hundreds of thousands of people without drain on the taxpayer.

"Third—through the broadening of the powers of the Corporation in the character of loans it can make to assist agriculture, we should materially improve the position of the farmer.

"The obnoxious features which had been injected into the legislation from time to time by Members of the House of Representatives and had so long delayed action, have been eliminated. The \$100 million charity feature has been abandoned. The pork-barrel infection that the loans to the States for relief of distress should be based upon population

instead of need has been eliminated and also the sum of \$1,300 million nonproductive public works, ultimately payable by the taxpayer, has been reduced to \$322 million of which about \$120 million are advances to the States for highways and most of the balance is not to be expanded if the necessities of the Federal Treasury prevent it.

"The provisions for the establishment of a gigantic centralized banking business have been removed.

"The possible destructive effect upon credit institutions by the so-called publicity clause has been neutralized by the declaration of the Senate leaders of all parties that this provision is not to be retroactive and that the required monthly reports of future transactions are of confidential nature and must be so held by the Clerks of the Senate and House of Representatives unless otherwise ordered by the Congress when in session.

"While there are some secondary features of the measure to which I have objection, they are not so great as to warrant refusal to approve the measure in the face of the great service that the major provisions will be to the Nation. It is a strong step toward recovery."

NOTE: As enacted, the bill (H.R. 9642), approved July 21, 1932, is Public, No. 302 (47 Stat. 709).

234

Letter to the Chairman of the Senate Committee
on Expenditures in the Executive Departments
About the Policies of the Federal Farm Loan Board.
July 18, 1932

[Released July 18, 1932. Dated July 15, 1932]

My dear Mr. Senator:

Last October, in a desire to have the Federal Land Banks function in a thoroughly humane and constructive fashion with relation to our farmers, I took up with the Farm Loan Board in Washington the whole

question of the policies of the Board in respect to farmers who might be in difficulty.

Although I have no authority over the policies of the Board, I felt that, as I was about to recommend to the Congress the furnishing of \$125,000,000 to the Farm Loan Banks for the purpose of enabling them to treat the farmers who were indebted to them with proper consideration in these times and to strengthen their situation both in loans and to their bondholders, I had a right to some understanding from them as to what policies they would pursue in case I made such a recommendation to the Congress.

The Farm Loan Board was most sympathetic in the entire matter and, as the result of our discussions, the enclosed letter was drafted by myself and the Chairman of the Board and sent to each of the banks. Responses were obtained that they would pursue these policies.

You will recognize that the banks must go through certain forms in cases of delinquencies to determine the cases honestly requiring relief but perhaps our farmers who are in difficulty do not realize the sympathetic view and the endeavor we are making in their interest in these times.

Yours faithfully,
HERBERT HOOVER

[Hon. Frederick Steiwer, United States Senate, Washington, D. C.]

NOTE: As printed below, Commissioner H. Paul Bestor's letter to the Federal land banks follows the text set forth in a contemporary news account.

Dear Sir:

As you know, the President recently announced:

"I shall recommend to Congress the subscription of further capital stock by the Government to the Federal land banks (as was done at their founding) to strengthen their resources so that on the one hand the farmer may be assured of such accommodation as he may require and on the other hand their credit may be of such high character that they may obtain their funds at low rates of interest."

The Farm Loan System is passing through a period of emergency due to the low price of commodities, as well as to drought in some sections. There are farmers who can not meet their mortgage payments. Anything in the nature of a general moratorium on farm mortgages would destroy one of the most valuable agencies ever created for American agriculture and would do infinite harm to the agricul-

tural industry itself. This is indeed the recently expressed feeling of all the representative farm organizations.

On the other hand, the situation must be handled with intelligence and comprehension. I have told the President both before and since the above announcement that the banks are not pursuing a course of ruthless and drastic foreclosures. I have advised him that it is not the desire of the Federal land banks to acquire farms, and that in case of delinquencies it is the policy of all banks to consider each case on its individual merits and to institute foreclosure proceedings only when investigation discloses that a debtor is not a capable farmer, is not making a real effort to meet his obligation to the full extent of his capacity to pay and is not likely to succeed if given a reasonable opportunity, or when there are other factors making it necessary to take action in the vital interests of the bank.

I further informed the President that it is the desire of the banks to consider each individual case with sympathy and understanding and that they fully realize that when a capable man who will be able to work out his problem within a reasonable time wishes to make a fight to retain his farm it is not only humane but it is better for the country in this emergency and in the interests of the banks that he be given an opportunity rather than go through the expense of foreclosure and ultimate selection of another farmer to undertake the operation of the farm.

The Federal land banks constitute a permanent banking system and are of invaluable service to agriculture as indicated by the President, and it is vitally important that they continue to function in the extension of credit to the farmer on a sound basis, and that the credit of the banks be of such high character that they may obtain funds at low rates of interest. In order that there be no misconception in the matter I should like to have from you, to be transmitted to the President, confirmation of my understanding as outlined above of your bank's policy in connection with the question of delinquencies.

235

Statement About Signing the Great Lakes-
St. Lawrence Deep Waterway Treaty.

July 18, 1932

THE PRESIDENT said:

"The signing of the Great Lakes-St. Lawrence Waterway treaty marks another step forward in this the greatest internal improvement yet undertaken on the North American Continent. The treaty must yet be ratified

by the legislative bodies of the two governments and is not effective unless this is done.

“The treaty represents to me the redemption of a promise which I made to the people of the Midwest. It provides for the construction of a 27-foot waterway from the sea to all Canadian and American points on the Great Lakes. Such a depth will admit practically 90 percent of ocean shipping of the world to our lake cities in the States of New York, Ohio, Michigan, Indiana, Illinois, Wisconsin, and Minnesota. Its influence in cheapening transportation of overseas goods will stretch widely into the interior from these points. Its completion will have a profoundly favorable effect upon the development of agriculture and industry throughout the Midwest. The large byproduct of power will benefit the Northeast. These benefits are mutual with the great Dominion to the north.

“The waterway will probably require 10 years for completion, during which time normal growth of traffic in the Nation will far more than compensate for any diversions from American railways and other American port facilities. The economic gains from improved transportation have always benefited the whole people.

“Under the engineers’ estimates, the total cost will be approximately \$543 million, of which approximately \$272 million will need be expended by the United States. Some portion of these expenditures has already been made by both countries, and the actual total amount of new funds to be called on from the United States is estimated at about \$258 million, and from this sum must be deducted the realization which may be made from about 1 million horsepower on the American side of the international section. The disposal of this power is reserved as a purely domestic question in the United States.

“The question of the effect of the treaty provision covering the diversion of water from Lake Michigan upon the 9-foot waterway from Chicago to the Mississippi has been raised. I may quote the statement I received from General MacArthur, Acting Secretary of War, which clarified this question:

Dear Mr. President:

I am in receipt of your request for a statement from this Department

in confirmation of the verbal assurances given to you and to the Secretary of State by the Corps of Engineers, that the provisions in respect to the diversion of water from Lake Michigan in the proposed Great Lakes-St. Lawrence Deep Waterway treaty are sufficient to provide for the maintenance of the 9 foot waterway from Chicago to the Mississippi.

I am glad to confirm that the provision in the Treaty does provide the necessary diversion for this purpose.

Respectfully,

DOUGLAS MACARTHUR

Acting Secretary of War

"The Canadian project of a two-stage development in the international section has been adopted instead of the original American project of a single-stage development. The cost is slightly more, but the Canadian officials have felt that the two-stage development is desirable for many reasons, amongst others for the complete assurance of the safety of the city of Montreal.

"The project is of first importance to the whole continent. The many and extremely complex engineering, legal, commercial, and international problems have been worked out by the representatives of both countries in a spirit of cooperation of which all North America can be justly proud."

NOTE: Secretary of State Henry L. Stimson and Canadian Minister to the United States W. D. Herridge signed the treaty at the Department of State at 10 a.m., on July 18, 1932. In conjunction with the signing ceremonies, the Department issued a statement tracing the history of negotiations back to 1920 and outlining the course of formal negotiations from October 1931.

236

Message of Sympathy on the Death
of Jean Jules Jusserand.

July 18, 1932

I AM SORELY grieved to learn of Mr. Jusserand's death and Mrs. Hoover and I send you our sincere sympathy in your bereavement.

France has lost a distinguished and loyal citizen and the United States a true and firm friend whose wonderful influence for right and justice has meant so much in our relations with France. We mourn with our sister Republic the passing of this truly great man.

HERBERT HOOVER

NOTE: M. Jusserand, French Ambassador to the United States from 1902 to 1925, died at his home in Paris.

237

Letter to the Chairman of the United States
Tariff Commission About an Investigation
of Methods of Valuation on Imports.
July 18, 1932

[Released July 18, 1932. Dated July 2, 1932]

My dear Mr. Chairman:

I am in receipt of your letter of July 1st in respect to Investigation of Methods of Valuation in Section 642 of the Tariff Act.

I would like to suggest that this investigation should be undertaken by the Commission with the appointment of an advisory body comprising representatives from the Customs Service, the Department of Commerce and such other agencies as the Commission may think desirable to coordinate.

Yours faithfully,

HERBERT HOOVER

[Hon. Robert L. O'Brien, Chairman, United States Tariff Commission, Washington, D.C.]

NOTE: The United States Tariff Commission released the President's message in conjunction with an announcement that it would undertake an investigation of methods used to determine the value of imported products. The findings were published as "Methods of Valuation: Report of the Tariff Commission Under Provisions of Section 642 of the Tariff Act of 1930," (Report No. 70, 2d series, 1933, 116 pp.).

238

The President's News Conference of
July 22, 1932

THE PRESIDENT. I haven't seen you for a few weeks. I have been fairly busy, and I think you have been well supplied with news.

FEDERAL HOME LOAN BANK ACT

I have today signed the home loan bank bill. That institution was created on the lines of the statement I sent out to the press on the 13th of November last, and was the outcome of the national conference on homeownership¹ which represented every part of the country. You will recall that its purpose is to establish a series of discount banks for home mortgages, performing a function for homeowners somewhat similar to that performed in the commercial field by the Federal Reserve banks through their discount facilities.

There are to be 8 to 12 such banks, established in different parts of the country, with a total capital of \$125 million to be initially subscribed by the Reconstruction Finance Corporation. Building and loan associations, savings banks, and the insurance companies are eligible for membership in the system. Member institutions are required to subscribe for stock of the home loan banks and to absorb gradually the capital, and they may in turn borrow from the banks on their notes to be secured by the collateral of sound home mortgages.

The home loan banks are in turn to obtain their resources, required by them in excess of their capital, by the use of debentures and notes. These notes have back of them the obligations of the members, the mortgages pledged as collateral, and the capital of the home loan banks themselves, so that the debentures and notes thus have a triple security.

The creation of these institutions does not involve the Government in business except in the initial work of the Reconstruction Corporation, and the setting up of a board in Washington to organize and determine standards of practice. Even the cost of this board is to be borne by the

¹ White House Conference on Home Building and Home Ownership.

home loan banks themselves, and the management of the banks is to devolve upon the members. In effect, it is using the good offices of the Government and the Reconstruction Finance Corporation to set up cooperative action amongst these member institutions to mobilize their credit and resources. There are several thousand institutions eligible for membership.

The purpose of the system is to meet both the present emergency and to build up homeownership on more favorable terms for the future than exist today. The immediate credit situation has for a long time in many parts of the country restricted the activities of the building and loan associations, savings banks, and other institutions making loans for home purposes in such fashion that they are not only unable to extend credit for the acquirement of new homes but in thousands of instances they have been unable to renew existing mortgages with resultant foreclosures and great hardships.

A considerable part of our unemployment is due to stagnation in residential construction. There was overbuilding during the period of the boom, but in the 3 years since the building has not kept pace with the growth of population, so that we have a great reserve of construction possible the moment that there is the first step toward recovery, and thereby a cessation of the huddling which comes on in times of depression. But the Department of Commerce in a survey discovered that there are somewhere between \$300 million and \$500 million of home construction that would be undertaken tomorrow if the credit facilities were available. That is in localities which have actually fallen down in housing facilities. There are certain localities, particularly the large cities, where there has been overbuilding, but in smaller localities there is a very large amount of construction actually awaiting action.

In the long view we need to encourage homeownership, and for such encouragement it must be possible for homeowners to obtain long-term credit, payable in installments, and the whole of the organization gives a special premium for that type of mortgage in the rediscount privilege which it has.

Now, there was attached to the bill a rider by the Congress for limited extension of the old national bank currency. I am advised by the

Treasury that in practical working of the provision it will not result in inflation. I have a note from the Comptroller of the Currency who informs me that:

“This section of the bill runs counter to the general plan established through the Federal Reserve Act intended gradually to do away with an inflexible bond secured currency and represents a backward step in currency and banking legislation, but in view of the fact that the provisions are limited to a 3-year period I do not feel justified in recommending that the bill be vetoed, more especially as it is a rider to an important and constructive piece of legislation to which it bears no relation.”

So, I myself do not feel that the amendment is such as to warrant refusal to approve the measure which means so much to homeowners, is such a contribution to their relief; such a contribution to establishment of home ownership; and such an aid to immediate increase of employment.

Otherwise than that I have nothing today. And I hope to meet you again next Tuesday.

NOTE: President Hoover's two hundred and fifty-fourth news conference was held in the White House at 4 p.m. on Friday, July 22, 1932.

On the same day, the White House issued a text of the President's statement about signing the Federal Home Loan Bank Act (see Item 239).

239

Statement About Signing the Federal Home Loan Bank Act. *July 22, 1932*

THE PRESIDENT said:

“I have today signed the home loan bank bill. This institution has been created on the general lines advocated by me in a statement to the press on November 13th last. It is the outcome of the national conference on homeownership¹ which represented every part of the country. Its

¹ White House Conference on Home Building and Home Ownership.

purpose is to establish a series of discount banks for home mortgages, performing a function for homeowners somewhat similar to that performed in the commercial field by the Federal Reserve banks through their discount facilities.

“There are to be 8 to 12 such banks established in different parts of the country with a total capital of \$125 million to be initially subscribed by the Reconstruction Finance Corporation. Building and loan associations, savings banks, insurance companies, etc. are to be eligible for membership in the system. Member institutions are required to subscribe for stock of the home loan banks and to absorb gradually the capital, and they may borrow from the banks upon their notes to be secured by the collateral of sound home mortgages.

“The home loan banks are in turn to obtain the resources required by them through the issue of debentures and notes. These notes have back of them the obligation of the members, the mortgages pledged as securities of such obligations and the capital of the home loan banks themselves. The debentures and notes thus have a triple security.

“The creation of these institutions does not involve the Government in business except in the initial work of the Reconstruction Corporation, and the setting up of the board in Washington to determine standards of practice. The cost of this board in Washington is to be paid by the home loan banks and the banks are to be owned and run by their members. In effect it is using the good offices of the Government and the Reconstruction Finance Corporation to set up cooperative action amongst these member institutions to mobilize their credit and resources. There are several thousand institutions eligible for membership.

“The purpose of the system is both to meet the present emergency and to build up homeownership on more favorable terms than exist today. The immediate credit situation has for the time being in many parts of the country restricted the activities of building and loan associations, savings banks, and other institutions making loans for home purposes, in such fashion that they are not only unable to extend credit for the acquirement of new homes, but in thousands of instances they have been unable to renew existing mortgages with resultant foreclosures and great hardships.

"A considerable part of our unemployment is due to stagnation in residential construction. There has been overbuilding in certain localities in boom years, but there has been far less than normal construction of new homes for 3 years in pace with the increase of population, and there is thus a shortage which, while now obscured by present huddling, will become evident with the first stage of recovery. Nearly 200,000 new homes are erected annually in normal times which with initial furnishing contribute \$2 billion to construction and other industries. A survey by the Department of Commerce shows that there are localities in which there is today an immediate demand for homes amounting from \$300 million to \$500 million which could be undertaken at once if financing were available. Thus the institution should serve to immediately increase employment.

"In the long view we need at all times to encourage homeownership and for such encouragement it must be possible for homeowners to obtain long-term loans payable in installments. These institutions should provide the method for bringing into continuous and steady action the great home loaning associations which is so greatly restricted due to present pressures.

"There was attached to the bill by the Congress a rider for the limited extension of the old national bank currency. I am advised by the Treasury that in the practical working of this provision it will not result in inflation.

"The Comptroller of the Currency informs me that:

" 'This section of the bill runs counter to the general plan established through the Federal Reserve Act intended gradually to do away with an inflexible bond secured currency and represents a backward step in currency and banking legislation, but in view of the fact that the provisions are limited to a 3-year period I do not feel justified in recommending that the bill be vetoed, more especially as it is a rider to an important and constructive piece of legislation to which it bears no relation.'

"I do not, therefore, feel that the amendment is such as would warrant refusal to approve the measure which means so much to hundreds of thousands of homeowners, is such a contribution to their relief; such a

contribution to establishment of homeownership; and such an aid to immediate increase of employment.”

NOTE: As enacted, the bill (H.R. 12280), approved July 22, 1932, is Public, No. 304 (47 Stat. 725).

The President referred to a rider which had been introduced by Senator Carter Glass. The amendment authorized U.S. bonds bearing up to $3\frac{3}{8}$ percent interest to be used as backing for national bank notes. Previous law allowed only 2 percent interest on bonds to be used as backing for national bank notes.

240

Statement Announcing a Meeting With Representatives
of the New England Conference on Reemployment.

July 23, 1932

THE PRESIDENT said:

“I have been requested by Governor [John G.] Winant of New Hampshire to receive the representatives of the recent conference in New England to discuss their conclusions upon the 5-day week or shorter week hours as a means of wider distribution of employment. I welcome the opportunity to do so. In the meantime I have instructed the Departments of Labor and Commerce to immediately resurvey the present situation and experience of the industries now using such plans.

“At the White House conferences with employers and labor over 2 years ago the general policy of spreading available work over the largest number was adopted and has been consistently followed by a great many industries. The same action was further spread by the President’s employment committee conferences held last fall. We have, therefore, a large amount of actual experience. There are many different methods in different industries to spread work through shorter hours. Some of them have adopted the 5-day, the 4-day, or 3-day week; some have adopted 6-hour shifts; some are staggering employment; some are using the furlough plan for salaried employees; some of them have suspended night shifts; some are using the flexible week depending on the volume of business. In fact many varieties of attaining the same end have now

been developed, and I welcome the opportunity to review the situation and see what further coordinated steps can be taken.

“The New England Conference has made constructive suggestions and with our accumulated experience we should be in position for a new stage for action by further conference between employers and labor representatives.”

NOTE: The President met with representatives of the New England Conference on August 1, 1932.

The New Hampshire Unemployment Relief Committee and the Massachusetts Commission on the Stabilization of Unemployment sponsored the New England Conference on Reemployment which recommended a national conference to organize a shorter workweek.

241

Message to Emperor Haile Selassie I
of Ethiopia on His Birthday.

July 23, 1932

PERMIT ME to extend to Your Majesty on this birthday anniversary cordial congratulations of the Government and people of the United States and my own personal greetings.

HERBERT HOOVER

[His Imperial Majesty Haile Selassie I, Emperor of Ethiopia, Addis Ababa, Ethiopia]

242

Message to Frank Julian Sprague
on His 75th Birthday.
July 25, 1932

[Released July 25, 1932. Dated July 22, 1932]

My dear Mr. Sprague:

I send you my cordial felicitations on your 75th birthday and all good wishes for the future.

Your contribution in the development of the electric motor, followed by the application of electricity to street railways and to elevators, links your name for all time with that distinguished group of inventors and engineers whose pioneer work made possible so many of our present utilities, comforts and conveniences.

It is fitting that the engineering and scientific world should show general recognition of your noteworthy services to the electric art, and it is with regret that I find I shall not be able to be present at your anniversary celebration.

Yours faithfully,
HERBERT HOOVER

[Mr. Frank Julian Sprague, New York City]

NOTE: The message was read at a dinner honoring Mr. Sprague, held in the Engineering Societies Building in New York City.

243

Statement Announcing the Appointment
of Atlee Pomerene as Chairman
of the Reconstruction Finance Corporation.
July 26, 1932

THE PRESIDENT said:

"It is a great pleasure to announce the appointment of former Senator Atlee Pomerene of Ohio to the Board of the Reconstruction Finance

Corporation. He will be elected as Chairman of the Board. He has had long service as a lawyer and businessman and as a Member of the United States Senate where he was a member of the Banking and Currency Committee. His firm has been counsel for the Reconstruction Corporation's work in the fourth reserve district."

NOTE: The Emergency Relief and Construction Act of 1932 (Public, No. 302, 47 Stat. 709) created two vacancies on the Board of Directors of the Reconstruction Finance Corporation. These vacancies were filled by Charles A. Miller and Atlee Pomerene, who were elected as President and Chairman of the Board, respectively.

244

Message to the Boy Scouts of America.

July 26, 1932

[Released July 26, 1932. Dated July 22, 1932]

My dear Mr. Head:

It was most heartening to me to receive recently from your Chief Scout Executive the report of the activities of the Boy Scouts of America for the year 1931 and for the first part of this year, showing that you have not only maintained your strength, but actually increased.

It is most important at this time that the activities of the Boy Scouts of America and indeed the activities of all of our character-building agencies, should be maintained. I hope that your Local Council units will, as heretofore, receive from the general public, such generous support that the splendid record you made for 1931 may be equalled in 1932.

It is gratifying to learn that the challenge which I gave to your organization on the occasion of the Washington Meeting has resulted in the development and adoption by your National Council of a comprehensive program of growth covering the next ten years. This will not only bring to thousands of additional boys the joys and satisfactions of the Game of Scouting, but make the character-building and citizenship results a vital factor in advancing our democracy.

[245] July 26 *Public Papers of the Presidents*

I sincerely hope that every Scout and Scouter in your organization will heartily cooperate in making your plans effective.

Yours faithfully,
HERBERT HOOVER

[Mr. Walter W. Head, President, Boy Scouts of America, 2 Park Avenue, New York City]

NOTE: Dr. James E. West, chief scout executive, released the message in conjunction with an announcement that the organization was beginning a 10-year expansion drive.

245

Message to the National Economy League.

July 26, 1932

[Released July 26, 1932. Dated July 22, 1932]

My dear Mr. Clark:

I am deeply interested to learn of the formation of The National Economy League. There is great need for a nation-wide and non-partisan organization designed to give persistent attention to keeping down governmental expenditures. The subject is too complicated to be dealt with by sporadic groups in temporary emergencies. The pressures upon governments to spend more are ceaseless, and no intermittent protests will stem the tide. Swarms of lobbies organize behind every form of expenditure and no organized group ever defends members of the Congress who withstand their pressures. Ceaseless vigilance alone can cope with them. Every branch of government activity should be scrutinized, and of State and city governments as well as Federal. I trust that your organization will not confine its useful labors to any narrower range, for the problem is all of one piece and should be so dealt with.

Yours faithfully,
HERBERT HOOVER

[Mr. Grenville Clark, Chairman, Organization Committee, The National Economy League, New York City]

338

NOTE: The message was read at the league's organization dinner which was held at the American Bar Association Building in New York City.

246

Statement About the Bonus Marchers.

July 28, 1932

THE PRESIDENT said:

"For some days police authorities and Treasury officials have been endeavoring to persuade the so-called bonus marchers to evacuate certain buildings which they were occupying without permission. These buildings are on sites where Government construction is in progress and their demolition was necessary in order to extend employment in the District and to carry forward the Government's construction program.

"This morning the occupants of these buildings were notified to evacuate and at the request of the police did evacuate the buildings concerned. Thereafter, however, several thousand men from different camps marched in and attacked the police with brickbats and otherwise injuring several policemen, one probably fatally.

"I have received the attached letter from the Commissioners of the District of Columbia stating that they can no longer preserve law and order in the District.

"In order to put an end to this rioting and defiance of civil authority, I have asked the Army to assist the District authorities to restore order.

"Congress made provision for the return home of the so-called bonus marchers who have for many weeks been given every opportunity of free assembly, free speech, and free petition to the Congress. Some 5,000 took advantage of this arrangement and have returned to their homes. An examination of a large number of names discloses the fact that a considerable part of those remaining are not veterans; many are communists and persons with criminal records.

"The veterans amongst these numbers are no doubt unaware of the character of their companions and are being led into violence which no government can tolerate.

"I have asked the Attorney General to investigate the whole incident and to cooperate with the District civil authorities in such measures against leaders and rioters as may be necessary."

NOTE: The President referred to an attached letter from the Commissioners of the District of Columbia, which is printed in the note to Item 248.

On the same day, the White House issued a text of Secretary of War Patrick J. Hurley's order to Gen. Douglas MacArthur, Chief of Staff, U.S. Army. In addition, Secretary Hurley and Gen. MacArthur held a late evening news conference following their report to the President. The texts of these items follow:

TO: General Douglas MacArthur, Chief of Staff, U.S. Army.

The President has just informed me that the civil government of the District of Columbia has reported to him that it is unable to maintain law and order in the District.

You will have United States troops proceed immediately to the scene of disorder. Cooperate fully with the District of Columbia police force which is now in charge. Surround the affected area and clear it without delay.

Turn over all prisoners to the civil authorities.

In your orders insist that any women and children who may be in the affected area be accorded every consideration and kindness. Use all humanity consistent with the due execution of this order.

PATRICK J. HURLEY
Secretary of War

[Washington, D.C., July 28, 1932, 2:55 p.m.]

[News conference with Secretary Patrick J. Hurley and General Douglas MacArthur, held at 11 p.m.]

SECRETARY HURLEY. I think I better let Gen. MacArthur speak to the press. General, tell the press yourself what you have to tell them.

GENERAL MACARTHUR. Most of you saw what happened. Let me give you the features pertaining to it from the time we started from the Ellipse.

At that time I sent word by General Glassford¹ to the various camps that I was going to evacuate them, clear Government property and that I hoped that they would not be humiliated by being forced out. I hoped that they would take advantage of the time element and evacuate without trouble. We moved down Pennsylvania to the avenue area. It is unnecessary to describe what took place there. You all saw it, I think. That mob down there was a bad looking mob. It

¹ Brig. Gen. Pelham D. Glassford, Superintendent of the Metropolitan Police, Washington, D.C.

was animated by the essence of revolution. The gentleness, the consideration, with which they had been treated had been mistaken for weakness and they had come to the conclusion, beyond the shadow of a doubt, that they were about to take over in some arbitrary way either the direct control of the Government or else to control it by indirect methods. It is my opinion that had the President not acted today, had he permitted this thing to go on for 24 hours more, he would have been faced with a grave situation which would have caused a real battle. Had he let it go on another week, I believe that the institutions of our Government would have been very severely threatened. I think it can be safely said that he had not only reached the end of an extraordinary patience but that he had gone to the very limit in his desire to avoid friction and trouble before he used force. Had he not used it at that time, I believe he would have been very derelict indeed in the judgment in which he was handling the safety of the country. This was the focus of the world today, and had he not acted with the force and vigor that he did, it would have been a very sad day for the country tomorrow.

To go back to the incidents; after we cleared Pennsylvania Avenue, the insurrectionists fired their billets. I again sent word by General Glassford to the group at 13th and C Streets that we would be there within an hour. We were. But they were not. They had evacuated. They also burned their area. I then again sent word.

Q. Did they set fire to any buildings?

GEN. MACARTHUR. No, sir. This was all flimsy stuff they had constructed themselves.

Q. Shacks?

GEN. MACARTHUR. Yes. All done by the bonus marchers themselves; all done by the elements that were causing the trouble. I call them "insurrectionists."

There were, in my opinion, few veteran soldiers in the group that we cleared out today—few indeed. I am not speaking by figures because I don't know how many there were, but if there was 1 man in 10 in that group today who is a veteran it would surprise me.

The Anacostia Camp was large. It took more time to evacuate it. I didn't want to cause physical harm and wanted to avoid as far as I could any hardship. I halted my own command and waited till about 9:00 until moving on Anacostia. All of these moves, of course, had been at the solicitation of the District Commissioners, the District Government. They requested not only that those areas should be evacuated by the military but they requested through General Glassford, speaking for Commissioner [Luther H.] Reichelderfer and Commissioner [Herbert B.] Crosby, that we proceed from Anacostia and evacuate the areas at Camp Meigs, at Camp Simms, and at a locality near the 7th Street docks and another locality that was near the Library in the 200 block on A Street. When we reached Anacostia

the camp was practically abandoned. The control line of shacks were fired. There were a few people in the interior of the camp still packing and they were given full opportunity and time to go.

Q. Who fired the camp?

GEN. MACARTHUR. They must have fired it themselves. It was burning when we got there. There were just the frontline shacks. I think had we been an hour later the whole camp would have been burned. Those people at that camp evacuated when I arrived. They were apparently bound for Camp Bartlett.

The movement ceased at Anacostia. A battalion of infantry which was engaged will probably bivouac there with General Miles ² tonight. The squadron of cavalry will probably go back to barracks at Fort Myer. The police of the town are in entire charge with the exception of these focal points at which the District Commissioners have requested Army help. Under my suggestion, the patrols throughout the city of Washington have been doubled in strength and these foci of trouble and friction with these insurrectionists—namely, the Avenue Camp, the 13th and B Streets Camp, and the Anacostia Camp—are patrolled by the Army tonight, the police being released to General Glassford for this accentuated patrol duty.

I have never seen greater relief on the part of the distressed populace than I saw today. I have released in my day more than one community which had been held in the grip of a foreign enemy. I have gone into villages that for 3½ years had been under the domination of the soldiers of a foreign nation. I know what gratitude means along that line. I have never seen, even in those days, such expressions of gratitude as I heard from the crowds today. At least a dozen people told me, especially in the Negro section, that a regular system of tribute was being levied on them by this insurrectionist group; a reign of terror was being started which may have led to a system of Caponeism, and I believe later to insurgency and insurrection.

The President played it pretty fine in waiting to the last minute, but he didn't have much margin.

I think as a military maneuver, if you can call a thing of this kind a military maneuver, that it was unique.

I have been in many riots, but I think this is the first riot I ever was in or ever saw in which there was no real bloodshed. So far as I know there is no man on either side who has been seriously injured.

Q. Since the Army took over?

GEN. MACARTHUR. Since the Army took over. I know nothing of what took place before that except what appears in the press.

² Brig. Gen. Perry L. Miles, Commanding General, 16th Brigade.

SECRETARY HURLEY. Now if you have some questions——

Q. The General spoke about Camp Meigs, Bartlett, and the 200 block on A Street. Are there men in camp there? I haven't been around those areas myself. Are they occupied by both sides?

GEN. MACARTHUR. Yes, they were this morning. I don't know if they will be tomorrow morning. Those are all on Government property. There is another property at Camp Bartlett which is not on Government property which has been loaned to these men by Ex-Governor Bartlett. That camp is beyond the present purview of my operations.

Q. Is the number of men scattered about the camps small?

GEN. MACARTHUR. Yes.

Q. How many men evacuated from Anacostia tonight?

GEN. MACARTHUR. I should say that Thursday morning the Anacostia Camp had between 2,000 and 2,500 people. I should say my own estimate was that the entire group this morning represented not more than 3,500 men. Their numbers have been woefully exaggerated from the very beginning.

Q. About how many did you estimate were there at the Anacostia Camp when you arrived tonight?

GEN. MACARTHUR. I couldn't guess, but probably about 200 or 300.

Q. Is the camp completely evacuated now?

GEN. MACARTHUR. Practically evacuated when I arrived. We let them take their time about getting out. There may be a few stragglers. I can't tell you.

Q. Did they go up Nichols Avenue?

GEN. MACARTHUR. Couldn't tell you. I don't know where they went.

Q. What's going to be done about the people dispersing if they continue to wander about the city?

GEN. MACARTHUR. To begin with 3,500 people in a city the size of Washington is nothing. You would absorb them that way. They could number 10,000 and you wouldn't know it. You are thinking of 3,500 people as an integrated mass. The majority have left the District. Representatives from the railroads and depots tell me that they are getting out as fast as they can go.

Q. Is the policy of the Government to keep them out of the District?

GEN. MACARTHUR. I couldn't tell you. I couldn't discuss that. That will probably be governed by the exigencies of the occasion as they arise.

Q. What about Camp Meigs and the smaller groups?

GEN. MACARTHUR. I couldn't tell you, but I am not going to interfere tonight.

Q. General, does the staff have plans for removing them from the District back to their homes or sufficiently distant from this town to be sure that they are not coming back?

GEN. MACARTHUR. The staff has no plans except to meet any emergency that might arise. I don't know exactly what you are trying to get at. I have no informa-

tion about the future. And as I have said, these men have dispersed. They are no longer an integrated group.

Q. Is this a fair statement? Now that they are disintegrated that the problem is again up to the police?

GEN. MACARTHUR. The protection of the population of the District is up to the police except where there is a situation which makes it a menace to the institutions of this city. As I have said before I do believe they are scattered in the District so it is not warranted.

Q. The staff has no plans for trucking these people one day's ride for instance?

GEN. MACARTHUR. None whatsoever. The Army has had nothing to do with this problem until today, until called upon by the Commissioners who needed sufficient force to protect the institutions of this community.

Q. General, I didn't get the number quite clear. You say there were 3,500 this morning. They are now mostly gone?

GEN. MACARTHUR. I was talking about the whole group. I think there were not more than 3,500 this morning left. The group, mob, on Pennsylvania Avenue were mostly spectators. There were three or four spectators for every bonus marcher on the Avenue. Thousands of people turned out, but most of them were spectators. They were there for the show. It looked like there were a lot more than there were. I don't believe on Pennsylvania Avenue, when I got there, there were more than 600 or 700 of the so-called bonus marchers.

Q. Have you reported to the President on the dispersement?

GEN. MACARTHUR. I have. I gave the President a brief outline of the situation and the events of the day.

SECRETARY HURLEY. There is one thing that I think the General has emphasized—the Commissioners and the District asked the President for this support when they felt that they could no longer maintain law and order. The movement since that time, since the clearing of the first area, has been on the request and at the direction of the civil government. The civil government has functioned throughout.

GEN. MACARTHUR. We have not taken over the city at all. The force that the Army used was merely in conjunction with the civil authorities to clear out the camps. We haven't taken over any functions of Government and the Commissioners are in complete control of their city now as they were this morning, except that when they call on us we are going to help them.

Unless I get other instructions I will proceed with this matter so as to keep those men off Government property, or from congregating on Government property; and if the District Commissioners call on me again to keep them from congregating dangerously on the public thoroughfares I will do so. Camp Bartlett is private

ground, and unless there is some unlawful operation there it is beyond my purview of operations.

All those today that I evacuated were on Government property.

247

Remarks on Presenting Distinguished Flying Crosses
to Aviators John Polando and Russell Boardman.

July 28, 1932

I AM GLAD to greet you and express my appreciation and the admiration of the whole American people for your daring exploit.

NOTE: The President spoke at 12:30 p.m. on the White House grounds.

As printed above, this item follows the text set forth in a contemporary news account.

Boardman and Polando set a long distance record by flying a Bellanca monoplane, the *Cape Cod*, nonstop from New York to Istanbul in 49 hours and 20 minutes.

248

Letter to the Commissioners of the District of Columbia
Providing Federal Troops To Deal With the Bonus Marchers.

July 29, 1932

My dear Mr. Commissioner:

In response to your information that the police of the District were overwhelmed by an organized attack by several thousand men, and were unable to maintain law and order, I complied with your request for aid from the Army to the police. It is a matter of satisfaction that, after the arrival of this assistance, the mobs which were defying the municipal government were dissolved without the firing of a shot or the loss of a life.

I wish to call attention of the District Commissioners to the fact that martial law has not been declared; that responsibility for order still rests upon your commission and the police. The civil government of Wash-

ington must function uninterrupted. The Commissioners, through their own powers, should now deal with this question decisively.

It is the duty of the authorities of the District to at once find the instigators of this attack on the police and bring them to justice. It is obvious that, after the departure of the majority of the veterans, subversive influences obtained control of the men remaining in the District, a large part of whom were not veterans, secured repudiation of their elected leaders and inaugurated and organized this attack.

They were undoubtedly led to believe that the civil authorities could be intimidated with impunity because of attempts to conciliate by lax enforcement of city ordinances and laws in many directions. I shall expect the police to strictly enforce every ordinance of the District in every part of the city. I wish every violator of the law to be instantly arrested and prosecuted under due process of law.

I have requested the law enforcement agencies of the Federal Government to cooperate with the District authorities to this end.

There is no group, no matter what its origins, that can be allowed either to violate the laws of this city or to intimidate the Government.

Yours faithfully,
HERBERT HOOVER

[Honorable Luther H. Reichelderfer, Commissioner, District of Columbia, Washington, D.C.]

NOTE: The President's letter was in response to a letter from the Commissioners of the District of Columbia, dated July 28, 1932, which follows:

The President:

The Commissioners of the District of Columbia regret to inform you that during the past few hours, circumstances of a serious character have arisen in the District of Columbia which have been the cause of unlawful acts of large numbers of so-called "bonus marchers", who have been in Washington for some time past.

This morning, officials of the Treasury Department, seeking to clear certain areas within the Government triangle in which there were numbers of these bonus marchers, met with resistance. They called upon the Metropolitan Police Force for assistance and a serious riot occurred. Several members of the Metropolitan Police were injured, one reported seriously. The total number of bonus marchers greatly outnumbered the police; the situation is made more difficult by the fact that this

area contains thousands of brickbats and these were used by the rioters in their attack upon the police.

In view of the above, it is the opinion of the Major and Superintendent of Police, in which the Commissioners concur, that it will be impossible for the Police Department to maintain law and order except by the free use of firearms which will make the situation a dangerous one; it is believed, however, that the presence of Federal troops in some number will obviate the seriousness of the situation and result in far less violence and bloodshed.

The Commissioners of the District of Columbia, therefore, request that they be given the assistance of Federal troops, in maintaining law and order in the District of Columbia.

Very sincerely yours,

L. H. REICHELDERFER, *President,*
Board of Commissioners of the
District of Columbia

249

The President's News Conference of
July 29, 1932

BONUS MARCHERS

THE PRESIDENT. A challenge to the authority of the United States Government has been met, swiftly and firmly.

After months of patient indulgence, the Government met overt lawlessness as it always must be met if the cherished processes of self-government are to be preserved. We cannot tolerate the abuse of constitutional rights by those who would destroy all government, no matter who they may be. Government cannot be coerced by mob rule.

The Department of Justice is pressing its investigation into the violence which forced the call for Army detachments, and it is my sincere hope that those agitators who inspired yesterday's attack upon the Federal authority may be brought speedily to trial in the civil courts. There can be no safe harbor in the United States of America for violence.

Order and civil tranquillity are the first requisites in the great task of economic reconstruction to which our whole people now are devoting their heroic and noble energies. This national effort must not be retarded

in even the slightest degree by organized lawlessness in the country. The first obligation of my office is to uphold and defend the Constitution and the authority of the law. This I propose always to do.

For your own information, while I am on the subject, the National Red Cross has undertaken to send all the women and children out of the District who want to go home, and they are actively in the field this afternoon gathering them up. This is not for publication, just for your own information.

ECONOMIC RECOVERY PROGRAM

I have a question about recent conferences. I will give you this in mimeographed form later.

NOTE: President Hoover's two hundred and fifty-fifth news conference was held in the White House at 4 p.m. on Friday, July 29, 1932.

On the same day, the White House issued texts of the President's statements about the bonus marchers (see Item 250) and the economic recovery program (see Item 251).

250

Statement About the Bonus Marchers.

July 29, 1932

THE PRESIDENT said:

"A challenge to the authority of the United States Government has been met, swiftly and firmly.

"After months of patient indulgence, the Government met overt lawlessness as it always must be met if the cherished processes of self-government are to be preserved. We cannot tolerate the abuse of constitutional rights by those who would destroy all government, no matter who they may be. Government cannot be coerced by mob rule.

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“Order and civil tranquillity are the first requisites in the great task of economic reconstruction to which our whole people now are devoting their heroic and noble energies. This national effort must not be retarded in even the slightest degree by organized lawlessness. The first obligation of my office is to uphold and defend the Constitution and the authority of the law. This I propose always to do.”

NOTE: On the same day, the White House issued a text of the charge given to the grand jury by Judge Oscar R. Luhring of the Supreme Court of the District of Columbia. The charge, dated July 29, 1932, follows:

The Court must take notice of the startling news appearing in the public press yesterday afternoon and this morning.

It appears that a considerable group of men, styling themselves as bonus marchers, have come to the District of Columbia from all parts of the country for the stated purpose of petitioning Congress for the passage of legislation providing for the immediate payment of the so-called bonus certificates. The number of these men has been variously estimated as from five to ten thousand.

It is reported that certain buildings in this city, belonging to the Government, were in the possession of members of this so-called bonus army, who had been requested to vacate but had declined to do so; that possession of the property by the Government was immediately necessary for the erection of new buildings which Congress had directed built; that yesterday agents of the Treasury, proceeding lawfully, went upon the premises to dispossess the bonus army, and a force of district police was present to afford protection and prevent disorder; that the bonus marchers were removed from one old building which the public contractor was waiting to demolish; that thereupon a mob of several thousand bonus marchers, coming from other quarters, proceeded to this place for the purpose of resisting the officials and of regaining possession of the Government property.

It appears that this mob, incited by some of their number, attacked the police, seriously injured a number of them, and engaged in riot and disorder. Their acts of resistance reached such a point that the police authorities were unable to maintain order and the Commissioners of the District were compelled to call upon the Federal authorities for troops to restore order and protect life and property.

It is obvious that the laws of the District were violated in many respects. You should undertake an immediate investigation of these events with a view to bringing to justice those responsible for this violence, and those inciting it as well as those who took part in acts of violence.

It is reported that the mob guilty of actual violence included few ex-service-men, and was made up mainly of communists, and other disorderly elements. I hope you will find that is so and that few men who have worn the Nation's uniform engaged in this violent attack upon law and order. In the confusion not many arrests have been made, and it is said that many of the most violent disturbers and criminal elements in the unlawful gathering have already scattered and escaped from the city, but it may be possible yet to identify and apprehend them and bring them to justice.

It is important that this matter be dealt with promptly. The United States Attorney is prepared to assist you in every way you may require.

That is all I have to say. The matter is in your hands.

251

Statement on the Economic Recovery Program.

July 29, 1932

THE PRESIDENT said:

"Some erroneous speculation has taken place with regard to conferences which have been held during the past 2 weeks in respect to organizing concerted action along the front of economic recovery. Such conferences have been held by myself, the Secretaries of the Treasury and of Commerce, the heads of the Reconstruction Corporation, Federal Reserve Board, and other Government officials together with representative groups in the country. The activities comprise:

"1. The organization of the new powers granted the Reconstruction Finance Corporation in respect to self-liquidating works for which \$1,500 million is available are being coordinated with other Government agencies. An engineer of standing will be delegated by the Army Engineer Corps as Chairman of the Board of outstanding engineers to advise the Corporation in respect to these works with view to the most expeditious action in stimulating employment by starting of the work and the placing of orders for material.

"2. Stimulation of a movement for slum clearance and replacement under the reconstruction act is being given immediate examination with

view to early expansion of employment through such programs of modernization.

"3. In order to effectively make adequate provision for livestock and feeder loans, I have requested Commissioner [H. Paul] Bestor of the Farm Loan Board which has administration of the intermediate credit banks, the Secretary of Agriculture who has some special powers from Congress, and the Federal Farm Board which has already entered largely into this field—to place themselves at the disposal of the Reconstruction Corporation so as to develop a coordinated program to solve these and other agricultural questions under the leadership of the Corporation.

"4. The Reconstruction Corporation is devoting particular attention under its new powers to the possibilities of financing the movement of agricultural commodities into consumption with view to stimulating demands through restoration of orderly marketing. We are discussing the possible supplement of such efforts by private agencies.

"5. We have also taken up the subject of organized coordination of the wider expansion of credit facilities to business and industry through business, the banks, and the Federal Reserve banks, particularly for the purpose of supplying full credit for production where consumption of goods is assured and thus materially expand employment which has been hampered by dislocation of the credit machinery.

"6. Preliminary conferences have taken place with some of the railway leaders with a view to their developing programs for increased repair and maintenance in cooperation with the agencies of the Government for the purpose of expanding railway employment and for expansion in orders for railway supplies and equipment which would also be immediately reflected in increased employment in the supply and steel industries.

"7. I am proceeding as rapidly as possible with the selection of the directors of the Home Loan Bank Board and have already under discussion methods by cooperation of this institution with the Reconstruction Corporation and other agencies of the Government to secure the fullest effect in assistance to homeowners under mortgage duress and

expansion of homebuilding in localities where there is a present shortage.

"8. I have under discussion with various agencies the question of a movement to further spread existing employment through reduction of work hours.

"9. Other avenues of cooperation between the Government in aid to private and public agencies are under preliminary consideration.

"When this program is more fully developed I shall confer with the "business and industrial" committees created in each Federal Reserve district and other groups in the country that are primarily interested with view to establishing united and concerted action on a broad front throughout the country."

252

Message on the Presentation of the Distinguished
Flying Cross to Amelia Earhart.

July 29, 1932

[Released July 29, 1932. Dated July 22, 1932].

My dear Miss Earhart:

The Vice President has been requested to represent me in presenting to you the Distinguished Flying Cross authorized by the Congress in a Joint Resolution which was approved on July 2nd, 1932.

At the presentation ceremony, I am asking him to hand you this message of congratulations upon the many and well-deserved honors which your knowledge of the science and art of aviation, and your great skill and courageous spirit as a pilot and navigator have brought to you, and through you, to the womanhood of America.

Faithfully yours,

HERBERT HOOVER

[Miss Amelia Earhart, The Ambassador Hotel, Los Angeles, Calif.]

NOTE: Vice President Charles Curtis read the message at presentation ceremonies held in Los Angeles, Calif.

352

253

Message to the Opening of the Games
of the Tenth Olympiad.

July 29, 1932

WILL YOU PLEASE extend my cordial greetings to all those gathered at Los Angeles for the opening of the Olympic Games and also my hearty welcome to our visitors from abroad? I deeply regret that I am unable to be present, for I had looked forward with eagerness to the pleasure of seeing those wonderful sports, and also to visiting my home State.

In the years since the Olympics were held in America for the first time at St. Louis they have grown steadily in the interest of all the nations, until today they occupy at least as great a significance in our world as the original Olympic Games occupied in the ancient world, when Greece was at the height of its glory. They have become a positive force for international acquaintance and understanding and good will.

They teach that the hardest competition may be accompanied by good humor and that rivalry may be expressed with good sportsmanship. I warmly hope that the games may be in every way successful. Especially do I send my encouragements and best wishes to our American athletes.

NOTE: Vice President Charles Curtis read the President's message at the opening ceremonies of the games. Some 2,000 athletes from 50 countries participated in the quadrennial competition.

As printed above, this item follows the text set forth in a contemporary news account.

254

Exchange of Messages With Regent Nicholas von Horthy
on the Inauguration of Direct Radiotelegraphic Service
Between Hungary and the United States.

July 30, 1932

I THANK Your Serene Highness for the cordial expression of good wishes contained in your radio telegram inaugurating the new system of direct communication between Hungary and the United States. Rapid communication of information and ideas between nations is one of the most valuable means of fostering international understanding. I trust that this new means of communication between Hungary and the United States will serve to maintain the friendly relations so happily existing between the two countries.

HERBERT HOOVER

[His Serene Highness, The Regent of the Kingdom of Hungary, Budapest, Hungary]

NOTE: Regent von Horthy's message, as set forth in a contemporary news account, follows:

I am delighted to embrace the opportunity afforded by the opening of the direct radiotelegraphic communication between Hungary and the United States of North America to express to Your Excellency my most cordial greeting and to convey to the great American Nation the warmest greeting of the Hungarian Nation. I feel convinced that this new radio-electric connection will also contribute to promote a further deepening of the traditional ties of sentiment established by our predecessors and existing today unchanged between the United States and Hungary, and to strengthen and develop the mutual and economic relations between our two countries.

HORTHY
Regent of Hungary

[President Hoover, Washington, D.C.]

255

Message to President Paul von Hindenburg
of Germany on the Sinking of the *Niobe*.
July 30, 1932

[Released July 30, 1932. Dated July 29, 1932]

THE AMERICAN people join me in expressing to you and through you to the German people deepest sympathy in the loss occasioned Germany by the tragic sinking of the training ship *Niobe*.

HERBERT HOOVER

[His Excellency Field Marshal Paul von Beneckendorff und von Hindenburg, President of the Reich, Berlin, Germany]

NOTE: On July 26, 1932, the three-masted sailing vessel overturned and sank during a storm in the Baltic Sea. Sixty-nine cadets, officers, and crew members perished in the disaster.

256

Message to the Crosscup Pishon Post
of the American Legion in Boston, Massachusetts.
August 2, 1932

[Released August 2, 1932. Dated July 29, 1932]

My dear Commander Edwards:

That was a most encouraging telegram you sent me this morning.

I would be glad if the veterans throughout the country could know the character of the men claiming to be their representatives who have been in Washington since the adjournment of Congress. It is the impression of our government services that less than half of them ever served under the American flag.

Yours faithfully,

HERBERT HOOVER

[Edward C. Edwards, Commander, Crosscup Pishon Post, American Legion, Boston, Mass.]

NOTE: The message was in response to a telegram from the Crosscup Pishon Post, dated July 29, 1932. A text of the telegram follows:

The Crosscup Pishon Post, American Legion of Boston, Massachusetts endorses the action you have taken regarding the so-called bonus army. We know that the action of this group has neither the support, the sympathy, nor the respect of the true veterans of this country.

EDWARD C. EDWARDS
Commander

[Herbert Hoover, President of the United States, Washington]

257

Statement on the Resignation of Robert P. Lamont
as Secretary of Commerce.

August 3, 1932

THE PRESIDENT said:

"Secretary of Commerce Robert P. Lamont has found it necessary to resign in order to reenter private business.

"Mr. Lamont has remained in his position at great sacrifice for several months at my request. I regret extremely his loss from the Cabinet as his abilities and service have commanded the respect and confidence of the entire country.

"I am pleased to announce the appointment of Mr. Roy D. Chapin of Detroit, as Mr. Lamont's successor."

NOTE: Mr. Lamont, Secretary of Commerce from March 4, 1929 to August 8, 1932, resigned to become president of the American Iron and Steel Institute. Mr. Chapin became ad interim Secretary of Commerce on August 8 and was confirmed on December 14.

On the same day, the White House issued biographical data on Mr. Chapin.

258

Statement on the Death of James Francis Burke.

August 9, 1932

THE PRESIDENT said:

"I feel deeply the loss of James Francis Burke. He was an ardent

supporter and a high official of the Republican Party. In addition he was identified with a multitude of public movements not only in his own city but over the country. For many years he gave his time and service to matters of public interest in every direction in the public good. An indefatigable worker, he labored for the country he loved up to the hour of his death."

NOTE: Mr. Burke, counsel for the Republican National Committee and a former Representative from Pennsylvania, died in Washington, D. C., on August 8, 1932.

259

Address Accepting the Republican Presidential Nomination.
August 11, 1932

Mr. Chairman and my fellow citizens:

In accepting the great honor that you have brought to me, I desire to speak so simply and so plainly that every man and woman in the United States who may hear or read my words cannot misunderstand.

The last 3 years have been a time of unparalleled economic calamity. They have been years of greater suffering and hardship than any which have come to the American people since the aftermath of the Civil War. As we look back over these troubled years we realize that we have passed through two different stages of dislocation and distress.

Before the storm broke we were steadily gaining in prosperity. Our wounds from the war were rapidly healing. Advances in science and invention had opened vast vistas of new progress. Being prosperous, we became optimistic—all of us. From optimism some of us went to overexpansion in anticipation of the future, and from overexpansion to reckless speculation. In the soil poisoned by speculation grew those ugly weeds of waste, exploitation, and abuse of financial power. In this overproduction and speculative mania we marched with the rest of the whole world. Then 3 years ago came retribution by the inevitable world-wide slump in the consumption of goods, in prices, and employment. At that juncture it was the normal penalty for a reckless boom such as we have witnessed a score of times in our national history. Through

such depressions we have always passed safely after a relatively short period of losses, of hardship, and of adjustment. We have adopted policies in the Government which were fitting to the situation. Gradually the country began to right itself. Eighteen months ago there was a solid basis for hope that recovery was in sight.

Then, there came to us a new calamity, a blow from abroad of such dangerous character as to strike at the very safety of the Republic. The countries of Europe proved unable to withstand the stress of the depression. The memories of the world had ignored the fact that the insidious diseases left by the Great War had not been cured. The skill and intelligence of millions in Europe had been blotted out by battle, by disease, and by starvation. Stupendous burdens of national debt had been built up. Poisoned springs of political instability lay in the treaties which closed the war. Fear and hates held armament to double those before the great conflict. Governments were fallaciously seeking to build back by enlarged borrowing, by subsidizing industry and employment from taxes that slowly sapped the savings upon which industry and rejuvenated commerce must be built. Under these strains the financial systems of foreign countries crashed one by one.

New blows with decreasing world consumption of goods and from failing financial systems rained upon our people. We are a part of the world the disturbance of whose remotest populations affects our financial system, our employment, our markets, and the prices of our farm products. Thus beginning 18 months ago, the worldwide storm grew rapidly to hurricane force and the greatest economic emergency in all the history of the world. Unexpected, unforeseen, violent shocks with every month brought new dangers and new emergencies to our country. Fear and apprehension gripped the heart of our people in every village and city.

If we look back over the disasters of these 3 years, we find that three-quarters of the population of the globe has suffered from the flames of revolution. Many nations have been subject to constant change and vacillation of government. Others have resorted to dictatorship or tyranny in desperate attempts to preserve some kind of social order.

I may pause for one short illustration of the character of one single destructive force arising from these causes which we have been compelled to meet. That was its effect upon our financial structure. Foreign countries, in the face of their own failures, the failures of their neighbors, not believing that we had either the courage or the ability or the strength to meet this crisis, withdrew from the United States over \$2,400 million, including a billion of gold. Our own alarmed citizens withdrew over \$1,600 million of currency from our banks into hoarding. These actions, combined with the fears that they generated, caused a shrinkage of credit available for the conduct of industry and commerce by several times even these vast sums. Its visible expression was the failures of banks and business, the demoralization of security and real property values, of the commodity prices, and of employment. And that was but one of the invading forces of destruction that we have been compelled to meet in the last 18 months.

Two courses were open to us. We might have done nothing. That would have been utter ruin. Instead, we met the situation with proposals to private business and to the Congress of the most gigantic program of economic defense and counterattack ever evolved in the history of the Republic. We put that program in action.

Our measures have repelled these attacks of fear and panic. We have maintained the financial integrity of the Government. We have cooperated to restore and stabilize the situation abroad. As a nation we have paid every dollar demanded of us. We have used the credit of the Government to aid and protect our institutions, both public and private. We have provided methods and assurances that none suffer from hunger or cold amongst our people. We have instituted measures to assist our farmers and our homeowners. We have created vast agencies for employment. Above all, we have maintained the sanctity of the principles upon which this Republic has grown great.

In a large sense the test of the success of our program is simple. Our people, while suffering great hardships, have been and will be cared for. In the long view our institutions have been sustained intact and are now functioning with increasing confidence for the future. As a nation

we are undefeated and unafraid. And again above all, government by the people has not been defiled.

With the humility of one who by necessity has stood in the midst of this storm I can say with pride that the distinction for these accomplishments belongs not to the Government or to any individual. It is due to the intrepid soul of our people. It is to their character, their fortitude, their initiative, and their courage that we owe these results. We of this generation did not build this great Ship of State. But the policies that we have inaugurated have protected and aided its navigation in this terrible storm. These policies and programs have not been partisan. I gladly give tribute to those members of the Democratic Party in the Congress whose patriotic cooperation against factional and demagogic opposition has assisted in a score of great undertakings. I likewise give credit to Democratic as well as Republican leaders among our citizens for their cooperation and their help.

A record of these dangers and these policies of the last 3 years will be set down in the books. Much of it is of interest only to history. Our interest now is in the future. I dwell upon these policies and these programs and problems only where they illustrate the questions of the day and our course for the future. As a government and as a people we still have much to do. We must continue the building of our measures of restoration. We must profit by the lessons of this experience.

Before I enter upon a discussion of these policies I wish to say something of my conception of the relations of our Government to the people and the responsibilities of both, particularly as applied to these times. The spirit and the devising of this Government by the people was to sustain a dual purpose—on the one hand to protect our people amongst nations and in domestic emergencies by great national power, and on the other to preserve individual liberty and freedom through local self-government.

The function of the Federal Government in these times is to use its reserve powers and its strength for the protection of citizens and local governments by the support to our institutions against forces beyond their control. It is not the function of the Government to relieve individuals of their responsibilities to their neighbors, or to relieve private

institutions of their responsibilities to the public, or the local government to the States, or the responsibilities of State governments to the Federal Government. In giving that protection and that aid the Federal Government must insist that all of them exert their responsibilities in full. It is vital that the programs of the Government shall not compete with or replace any of them but shall add to their initiative and to their strength. It is vital that by the use of public revenues and public credit in emergencies that the Nation shall be strengthened and not weakened.

And in all these emergencies and crises, and in all our future policies, we must also preserve the fundamental principles of our social and our economic system. That system was founded upon a conception of ordered freedom. The test of that freedom is that there should be maintained an equality of opportunity to every individual so that he may achieve for himself the best to which his character, ability, and ambition entitle him. It is only by the release of initiative, this insistence upon individual responsibility, that we accrue the great sums of individual accomplishment which carry this Nation forward. This is not an individualism which permits men to run riot in selfishness or to override equality of opportunity for others. It permits no violation of ordered liberty. In the race after false gods of materialism men and groups have forgotten their country. Equality of opportunity contains no conception of exploitation by any selfish, ruthless, class-minded men or groups. They have no place in the American system. As against these stand the guiding ideals and the concepts of our Nation. I propose to maintain them.

The solution of our many problems which arise from the shifting scene of national life is not to be found in haphazard experimentation or by revolution. It must be through organic development of our national life under these ideals. It must secure that cooperative action which brings initiative and strength outside of the Government. It does not follow, because our difficulties are stupendous, because there are some souls timorous enough to doubt the validity and effectiveness of our ideals and our system, that we must turn to a State-controlled or State-directed social or economic system in order to cure our troubles.

That is not liberalism; that is tyranny. It is the regimentation of men under autocratic bureaucracy with all its extinction of liberty, of hope, and of opportunity. Of course, no man of understanding says that our system works perfectly. It does not for the human race is not yet perfect. Nevertheless, the movement of true civilization is towards freedom rather than regimentation. And that is our ideal.

Ofttimes the tendency of democracy in the presence of national danger is to strike blindly, to listen to demagogues and to slogans, all of which destroy and do not save. We have refused to be stampeded into such courses. Ofttimes democracy elsewhere in the world has been unable to move fast enough to save itself in emergency. There have been disheartening delays and failures in legislation and private action which have added to the losses of our people, yet this democracy of ours has proved its ability to act.

Our emergency measures of the last 3 years form a definite strategy dominated in the background by these American principles and ideals, forming a continuous campaign waged against the forces of destruction on an ever-widening and a constantly shifting front.

Thus we have held that the Federal Government should in the presence of great national danger use its powers to give leadership to the initiative, the courage, and the fortitude of the people themselves, but that it must insist upon individual, community, and State responsibility. That it should furnish leadership to assure the coordination and unity of great existing agencies, governmental and private, for economic and humanitarian action. That where it becomes necessary to meet emergencies beyond the power of these agencies by the creation of new governmental instrumentalities, that they should be of such character as not to supplant or weaken, but rather to supplement and strengthen, the initiative and enterprise of our people. That they must, directly or indirectly, serve all of the people. And above all, that they should be set up in such form that once the emergency is past they can and must be demobilized and withdrawn, leaving our governmental, economic, and social structure strong and whole.

We have not feared boldly to adopt unprecedented measures to meet unprecedented violences of the storm. But, because we have kept ever

before us these eternal principles of our Nation, the American Government in its ideals is the same as it was when the people gave the Presidency to my trust. We shall keep it so. We have resolutely rejected the temptation, under pressure of immediate events, to resort to those panaceas and short cuts which, even if temporarily successful, would ultimately undermine and weaken what has slowly been built and molded by experience and effort throughout these 150 years.

It was in accordance with these principles that at the first stage of the depression I called upon the leaders of business and of labor and of agriculture to meet with me and induced them, by their own initiative, to organize against the panic with all its devastating destruction; to uphold wages until the cost of living was adjusted; to spread existing employment through shortened hours; and to advance construction work against future need.

It was in pursuance of that same policy that I have each winter thereafter assumed the leadership in mobilizing all of the voluntary and official organizations throughout the country to prevent suffering from hunger and cold, and to protect millions of families stricken by drought. And when it became advisable to strengthen the States who could no longer carry the full burden of relief to distress, it was in accordance with these principles that we held that the Federal Government should do so through loans to the States and thus maintain the fundamental responsibility of the States themselves. We stopped the attempt to turn this effort to the politics of selfish sectional demands, and we kept it based upon human need.

It was in accordance with these principles that, in aid to unemployment, we expend some \$600 millions in Federal construction of such public works as can be justified as bringing early and definite returns. We have opposed the distortion of these needed works into pork-barrel nonproductive works which impoverish the Nation.

It is in accord with these principles and these purposes that we have made provision for \$1,500 millions of loans to self-supporting works so that we may increase employment in productive labor. We rejected projects of wasteful nonproductive work allocated for purposes of attracting votes instead of affording relief. Thereby, instead of wasteful drain

upon the taxpayer, we secured the return of their cost to Government agencies and at the same time we increased the wealth of the Nation.

It was in accordance with these principles that we have strengthened the capital of the Federal land banks—that, on the one hand, confidence in their securities should not be impaired, and that on the other, the farmers indebted to them should not be unduly deprived of their homes. It was in accordance with these purposes that the Farm Board by emergency loan to farmers' cooperatives served to stem panics in agricultural prices and saved hundreds of thousands of farmers and their creditors from bankruptcy. It was in accord with these ideas that we have created agencies to prevent bankruptcy and failure in their cooperative organizations; that we are erecting new instrumentalities to give credit facilities for their livestock growers and their orderly marketing of their farm products.

It is in accordance with these principles that in the face of the looming European crises we sought to change the trend of European economic degeneration by our proposals of the German moratorium and the standstill agreements on German private debts. We stemmed the tide of collapse in Germany and the consequent ruin of its people. In furtherance of world stability we have made proposals to reduce the cost of world armaments by \$1 billion a year.

It was in accordance with these principles that I first secured the creation by private initiative of the National Credit Association, whose efforts prevented the failure of hundreds of banks, and the loss to countless thousands of depositors who had loaned all of their savings to them.

It was in accord with these ideas that as the storm grew in intensity we created the Reconstruction Finance Corporation with a capital of 2 billions more to uphold the credit structure of the Nation, and by thus raising the shield of Government credit we prevented the wholesale failure of banks, of insurance companies, of building and loan associations, of farm mortgage associations, and of railroads in all of which the public interest is paramount. This disaster has been averted through the saving of more than 5,000 institutions and the knowledge that adequate assistance was available to tide others over the stress. This has

been done not to save a few stockholders, but to save 25 millions of American families, every one of whose very savings and employment might have been wiped out and whose whole future would have been blighted had these institutions gone down.

It was in accordance with these principles that we expanded the functions and the powers of the Federal Reserve banks that they might counteract the stupendous shrinkage of credit due to fear and to hoarding and the foreign withdrawal of our resources.

It was in accordance with these principles that we are now in process of establishing a new system of home loan banks so that through added strength and through cooperation between the building and loan associations, the savings banks and other institutes we may relax the pressures on forfeiture of homes and procure the release of new resources for the construction of more homes and the employment of more men.

It was in accordance with these principles that we have insisted upon a reduction of governmental expenses, for no country can squander itself to prosperity on the ruins of its taxpayers. And it was in accordance with these purposes that we have sought new revenues to equalize the diminishing income of the Government in order that the power of the Federal Government to meet the emergency should be impregnable.

It was in accordance with these principles that we have joined in the development of a world economic conference to bulwark the whole international fabric of finance, of monetary values, and the expansion of world commerce.

It was in accordance with these principles and these policies that I am today organizing the private industrial and financial resources of the country to cooperate effectively with the vast governmental instrumentalities which we have in motion, so that through their united and coordinated efforts we may move from defense to a powerful attack upon the depression along the whole national front.

These programs, unparalleled in the history of depressions of any country and in any time, to care for distress, to provide employment, to aid agriculture, to maintain the financial stability of the country, to safeguard the savings of the people, to protect their homes, are not in the

past tense—they are in action. I shall propose such other measures, public and private, as may be necessary from time to time to meet the changing situations that may occur and to further speed our economic recovery. That recovery may be slow, but we shall succeed.

And come what may, I shall maintain through all these measures the sanctity of the great principles under which the Republic over a period of 150 years has grown to be the greatest Nation of the Earth.

I should like to digress a second for an observation on the last 3 years which should exhilarate the faith of every American—and that is the profound growth of the sense of social responsibility in our Nation which this depression has demonstrated.

No Government in Washington has hitherto considered that it held so broad a responsibility for leadership in such times. Despite hardships, the devotion of our men and women to those in distress is demonstrated by the national averages of infant mortality, general mortality, and sickness, which are less today than in times even of prosperity. For the first time in the history of depressions, dividends and profits and the cost of living have been reduced before wages have been sacrificed. We have been more free from industrial conflict through strikes and lockouts and all forms of social disorder than even in normal times. The Nation is building the initiative of men and of women toward new fields of social cooperation and new fields of endeavor.

So much for the great national emergency and the principles of government for which we stand and their application to the measures we have taken.

There are national policies wider than the emergency, wider than the economic horizon. They are set forth in our platform. Having had the responsibility of this office, my views upon most of them are clearly and often set forth in public record. I may, however, summarize some of them.

First: I am squarely for a protective tariff. I am against the proposal of “a competitive tariff for revenue” as advocated by our opponents. That would place our farmers and our workers in competition with peasant and sweated-labor products from abroad.

Second: I am against their proposals to destroy the usefulness of the bipartisan Tariff Commission, the establishment of whose effective powers we secured during this administration just 25 years after it was first advocated by President Theodore Roosevelt. That instrumentality enables us to correct any injustice and to readjust the rates of duty to shifting economic change, without constant tinkering and orgies of logrolling by Congress. If our opponents will descend from the vague generalization to any particular schedule, if it be higher than necessary to protect our people or insufficient for their protection, it can be remedied by this bipartisan Commission without a national election.

Third: My views in opposition to the cancellation of the war debt are a matter of detailed record in many public statements and in a recent message to the Congress. They mark a continuity of that policy maintained by my predecessors. I am hopeful of such drastic reduction of world armament as will save the taxpayers in debtor countries a large part of the cost of their payments to us. If for any particular annual payment we were offered some other tangible form of compensation, such as the expansion of markets for American agriculture and labor, and the restoration and maintenance of our prosperity, then I am sure our citizens would consider such a proposal. But it is a certainty that these debts must not be canceled or these burdens transferred to the backs of the American people.

Fourth: I insist upon an army and navy of a strength which guarantees that no foreign soldier will land upon the American soil. That strength is relative to other nations. I favor every arms reduction which preserves that relationship.

I favor rigidly restricted immigration. I have by executive direction in order to relieve us of added unemployment, already reduced the inward movement to less than the outward movement. I shall adhere to that policy.

Sixth: I have repeatedly recommended to the Congress a revision of railway transportation laws, in order that we may create greater stability and greater assurance of that vital service in our transportation. I shall persist in it.

I have repeatedly recommended the Federal regulation of interstate power. I shall persist in that. I have opposed the Federal Government undertaking the operation of the power business. I shall continue in that opposition.

I have for years supported the conservation of national resources. I have made frequent recommendations to the Congress in respect thereto, including legislation to correct the waste and destruction of these resources through the present interpretations of the antitrust laws. I shall continue to urge such action.

This depression has exposed many weaknesses in our economic system. There has been exploitation and abuse of financial power. We will fearlessly and unremittingly reform these abuses. I have recommended to the Congress the reform of our banking laws. Unfortunately this legislation has not yet been enacted. The American people must have protection from insecure banking through a stronger banking system. They must be relieved from conditions which permit the credit machinery of the country to be made available without check for wholesale speculation in securities with ruinous consequence to millions of our citizens and to our national economy. I have recommended to Congress methods of emergency relief to the depositors of closed banks. For 7 years I have repeatedly warned against private loans abroad for non-productive purposes. I shall persist in all those matters.

I have insisted upon a balanced budget as the foundation of all public and private financial stability and of all public confidence. I shall insist on the maintenance of that policy. Recent increases in revenues, while temporary, should be again examined, and if they tend to sap the vitality of industry, and thus retard employment, they should be revised.

The first necessity of the Nation, the wealth and income of whose citizens has been reduced, is to reduce the expenditures on government—national, State, and local. It is in the relief of taxes from the backs of men through which we liberate their powers. It is through lower expenditures that we get lower taxes. This must be done. A considerable reduction in Federal expenditures has been attained. If we except those extraordinary expenditures imposed upon us by the depression, it will be

found that the Federal Government is operating some \$200 million less annually today than 4 years ago. The Congress rejected recommendations from the administration which would have saved an additional \$150 million this fiscal year. The opposition leadership insisted, as the price of vital reconstruction legislation and over the protest of our leaders, upon adding \$300 million of costs to the taxpayer through public works inadvisable at this time. I shall repeat these proposals for economy. The opposition leadership in the House of Representatives in the last 4 months secured the passage by that House of \$3 billion in raids upon the Public Treasury. They have been stopped, and I shall continue to oppose such raids.

I have repeatedly for 7 years urged the Congress either themselves to abolish obsolete bureaus and commissions and to reorganize the whole Government structure in the interest of economy, or to give someone the authority to do it. I have succeeded partially in securing that authority, but I regret that no great act under it can be effective until after the approval of the next Congress.

With the collapse of world prices and the depreciated currencies the farmer was never so dependent upon his tariff protection for recovery as he is at the present time. We shall hold to that as a national policy. We have enacted many measures of emergency relief to agriculture. They are having their effect. I shall keep them functioning until the strain is past. The original purpose of the Farm Board was to strengthen the efforts of the farmer to establish his own farmer-owned, farmer-controlled marketing agencies. It has greatly succeeded in this purpose, even in these times of adversity. The departure of the Farm Board from its original purpose by making loans to farmers' cooperatives to preserve prices from panic served an emergency, but such an action in normal times is absolutely destructive of the farmers' own interest.

We still have vast problems to solve in agriculture. But no power on Earth can restore prices except by restoration of the general recovery and by restotation of markets. Every measure that we have taken looking to general recovery is of benefit to the farmer. There is no relief to the farmer by extending governmental bureaucracy to control his produc-

tion and thus to curtail his liberties, nor by subsidies that bring only more bureaucracy and their ultimate collapse. And I shall continue to oppose them.

The most practicable relief to the farmer today aside from general economic recovery is a definite program of readjustment and coordination of national, State, and local taxation which will relieve real property, especially the farms, from the unfair burdens of taxation which the current readjustment in values have brought about. To that purpose I propose to devote myself.

I have always favored the development of rivers and harbors and highways. These improvements have been greatly expedited in the last 3½ years. We shall continue that work to completion. After 20 years of discussion between the United States and our great neighbor to the north, I have signed a treaty for the construction of the Great Lakes-St. Lawrence seaway. That treaty does not injure the Chicago to the Gulf waterway, the work upon which, together with the whole Mississippi system, I have expedited, and in which I am equally interested. We shall undertake this great seaway, the greatest public improvement ever undertaken upon our continent, with its consequent employment of men as quickly as that treaty can be ratified.

Our views upon sound currency require no elucidation. They are indelibly a part of Republican history and policies. We have affirmed them by preventing the Democratic majority in the House from effecting wild schemes of uncontrolled inflation in the last 4 months.

There are many other important subjects set forth in the platform and in my public statements in the past for which I will not take your time. There are one or two others that do merit some emphasis.

The leadership of the Federal Government is not to be confined to economic and international questions. There are problems of the home and the education of children and of citizenship. They are the most vital of all to the future of the Nation. Except in the case of aids to States which I have recommended for stimulation of the protection and health of children, they are not matters of legislation. We have given leadership to the initiative of our people for social advancement through this organization against illiteracy, through the White House confer-

ences on the protection and health of children, through the national conferences on homeownership, through the stimulation of social and recreational agencies. These are the visible evidences of spiritual leadership in the Government. They will be continued, and they will be constantly invigorated.

My foreign policies have been devoted to strengthening the foundations of world peace. We inaugurated the London Naval Treaty which reduced arms and limited the ratios between the fleets of the three powers. We have made concrete proposals at Geneva to reduce the armaments of the world by one-third. It would save the taxpayers of the world a billion a year. We could save ourselves 200 millions a year. It would reduce fear and danger of war. We have expanded the arbitration of disputes. I have recommended joining the World Court under proper reservations preserving our freedom of action. Above all, we have given leadership in the transforming of the Kellogg-Briand Pact from an inspiring outlawry of war to an organized instrument for peaceful settlements backed by definite mobilized world public opinion against aggression. We shall, under the spirit of that pact, consult with other nations in time of emergency to promote world peace. We shall enter into no agreements committing us to any future course of action or which call for use of force in order to preserve peace.

I have projected a new doctrine into international affairs—the doctrine that we do not and never will recognize title to the possession of territory gained in violation of the peace pacts which were signed with us. That doctrine has been accepted by all the nations of the world on a recent critical occasion, and within the last few days has been again accepted by all the nations of the Western Hemisphere. That is public opinion made tangible and effective.

The world needs peace. It must have peace with justice. I shall continue to strive unceasingly, with every power of mind and spirit, to explore every possible path that leads towards a world in which right triumphs over force, in which reason rules over passion, in which men and women may rear their children not to be devoured by war but to pursue in safety the nobler arts of peace.

I shall continue to build upon these designs.

Across the path of the Nation's consideration of these vast problems of economic and social order there has arisen a bitter controversy over the control of the liquor traffic. I have always sympathized with the high purpose of the 18th amendment, and I have used every power at my command to make it effective over this entire country. I have hoped that it was the final solution of the evils of the liquor traffic against which our people have striven for generations. It has succeeded in great measure in those many communities where the majority sentiment is favorable to it. But in other and increasing numbers of communities there is a majority sentiment unfavorable to it. Laws which are opposed by the majority sentiment create resentments which undermine enforcement and in the end produce degeneration and crime.

Our opponents pledge the members of their party to destroy every vestige of constitutional and effective Federal control of the traffic. That means that over large areas the return of the saloon system with its corruption, its moral and social abuse which debauched the home, its deliberate interference with the States endeavoring to find honest solution, its permeation of political parties, its perversion of legislatures, which reached even to the Capital of the Nation. The 18th amendment smashed that regime as by a stroke of lightning. I cannot consent to the return of that system again.

We must recognize the difficulties which have developed in making the 18th amendment effective and that grave abuses have grown up. In order to secure the enforcement of the amendment under our dual form of government, the constitutional provision called for concurrent action on one hand by the State and local authorities and on the other by the Federal Government. Its enforcement requires, therefore, independent but coincident action of both agencies. An increasing number of States and municipalities are proving themselves unwilling to engage in that enforcement. Due to these forces there is in large sections increasing illegal traffic in liquor. But worse than this there has been in those areas a spread of disrespect not only for this law but for all laws, grave dangers of practical nullification of the Constitution, an increase in subsidized crime and violence. I cannot consent to a continuation of that regime.

I refuse to accept either of these destinies, on the one hand to return to the old saloon with its political and social corruption, or on the other to endure the bootlegger and the speakeasy with their abuses and crime. Either of them are intolerable, and they are not the only ways out.

Now, our objective must be a sane solution, not a blind leap back to old evils. Moreover, a step backwards would result in a chaos of new evils not yet experienced, because the local systems of prohibition and controls which were developed over generations have been in a large degree abandoned under this amendment.

The Republican platform recommends submission of the question to the States and that the people themselves may determine whether they desire a change, but insists that this submission shall propose a constructive and not a destructive change. It does not dictate to the conscience of any member of the party.

The first duty of the President of the United States is to enforce the laws as they exist. That I shall continue to do to the best of my ability. Any other course would be the abrogation of the very guarantees of liberty itself.

Now, the Constitution gives the President no power or authority with respect to changes in the Constitution itself; nevertheless, my countrymen have a right to know my conclusions upon this question. They are based upon the broad facts that I have stated, upon my experience in this high office, and upon my deep conviction that our purpose must be the elimination of the evils of this traffic from this civilization by practical measures.

It is my belief that in order to remedy present evils a change is necessary by which we resummon a proper share of initiative and responsibility which the very essence of our Government demands shall rest upon the States and the local authorities. That change must avoid the return of the saloon.

It is my conviction that the nature of this change, and one upon which all reasonable people can find common ground, is that each State shall be given the right to deal with the problem as it may determine, but subject to the absolute guarantees in the Constitution of the United

States to protect each State from interference and invasion by its neighbors, and that in no part of the United States shall there be a return of the saloon system with its inevitable political and social corruption and its organized interference with other States and other communities.

American statesmanship is capable of working out such a solution and making it effective.

My fellow citizens, the discussion of great problems of economic life and of government seem abstract and cold. But within their right solution lies the happiness and the hope of a great people. Without such solution all else is mere verbal sympathy.

Today millions of our fellow countrymen are out of work. Prices of farmers' products are below a living standard. Many millions more who are in business or hold employment are haunted by fears for the future. No man with a spark of humanity can sit in my place without suffering from the picture of their anxieties and hardships before him day and night. They would be more than human if they were not led to blame their condition upon the government in power. I have understood their sufferings and have worked to the limits of my strength to produce action that would be of help to them.

Much remains to be done to attain recovery. We have had a great and unparalleled shock. The emergency measures now in action represent an unparalleled use of national power to relieve distress, to provide employment, to serve agriculture, to preserve the stability of the Government, and to maintain the integrity of our institutions. Our policies prevent unemployment caused by floods of imported goods and of laborers. Our policies preserve peace in the world. They embrace cooperation with other nations in those fields in which we can serve. With patience and perseverance these measures will succeed.

Despite the dislocation of economic life our great tools of production and distribution are more efficient than ever before; our fabulous national resources, our farms and homes and our skill are unimpaired. From the hard-won experience of this depression we shall build stronger methods of prevention and stronger methods of protection to our people from abuses that have become evident. We shall march to a far greater accomplishment.

With the united effort we can and will turn the tide towards the restoration of business, of employment, and of agriculture. It does call for the utmost devotion and the utmost wisdom. Every reserve of American courage and vision must be called upon to sustain us and to plan wisely for the future.

Through it all our first duty is to preserve unfettered that dominant American spirit which has produced our enterprise and our individual character. That is the bedrock of the past, and it is the sole guarantee of the future. Not regimented mechanisms but free men are our goal. Herein is the fundamental issue. A representative democracy, progressive and unafraid to meet its problems, but meeting them upon the foundations of experience and not upon the wave of emotion or the insensate demands of a radicalism which grasps at every opportunity to exploit the sufferings of a people.

With these courses we shall emerge from this great national strain with our American system of life and government strengthened. Our people will be free to reassert their energy and their enterprise in a society eager to reward in full measure those whose industry serves its well-being. Our youth will find the doors of equal opportunity still open.

The problems of the next few years are not only economic. They are also moral and spiritual. The present check to our material success must deeply stir our national conscience upon the purposes of life itself. It must cause us to revalue and reshape our drift from materialism to a higher note of individual and national ideals.

Underlying every purpose is the spiritual application of moral ideals which are the fundamental basis of the happiness of a people. This is a land of homes and of churches and schoolhouses dedicated to the sober and enduring satisfactions of family life and the rearing of children in an atmosphere of ideals and of religious faith. Only with those ideals and those high standards can we hold society together, and only from them can government survive and business prosper. They are the sole insurance to the safety of our children and to the continuity of the Nation.

If it shall appear that while I have had the honor of the Presidency that I have contributed to the part required from this high office to bringing the Republic through this dark night, and if in my administration we shall see the break of dawn of the better day, I shall have done my part in the world. No man can have a greater honor than that.

I have but one desire: that is, to see my country again on the road to prosperity which shall be more sane and lasting through the lessons of this experience, to see the principles and ideals of the American people perpetuated.

I rest the case of the Republican Party upon the intelligence and the just discernment of the American people. Should my countrymen again place upon me the responsibilities of this high office, I shall carry forward the work of reconstruction. I shall hope long before another 4 years have passed to see the world prosperous and at peace and every American home again in the sunshine of genuine progress and of genuine prosperity. I shall seek to maintain untarnished and unweakened those fundamental traditions and principles upon which our Nation was founded, upon which it has grown. I shall invite and welcome the help of every man and woman in the preservation of the United States for the happiness of its people. This is my pledge to the Nation and my pledge to the Almighty God.

NOTE: The President spoke at 9:30 p.m. to an audience of approximately 4,000 persons assembled in Constitution Hall. The address was carried over the National Broadcasting Company and the Columbia Broadcasting System radio networks.

In his opening remarks the President referred to Everett Sanders, chairman of the Republican National Committee.

The above text is a transcript taken from a sound recording of the address.

260

The President's News Conference of *August 12, 1932*

THE PRESIDENT. We have got a large conference for small news, and I haven't anything of any importance to say.

376

PRESIDENT'S ORGANIZATION ON UNEMPLOYMENT RELIEF

Mr. [Walter S.] Gifford has fulfilled his term in charge of the organization for coordination of unemployment relief. He undertook the direction of it over the winter, and he has finally insisted that I find someone else to take it over the next winter, and that I will do in the course of the next month or two.

CONFERENCE OF FEDERAL RESERVE DISTRICT
BANKING AND INDUSTRIAL COMMITTEES

On the 29th of July I gave you some indication of a program which we had in course for coordinating activities of an economic character both of governmental and private business. We have made further progress with that, and I am now about to set the date when we shall call a general conference in Washington when we shall have representatives of each Federal Reserve district, together with the other groups that are appropriate for a general discussion of the subject that I outlined on the 29th of July. At that time we will have a more definite program developed for submission. I would have liked to have given you the date, but I have got it unsettled as between two figures, and I will let you know in the course of Monday.

ADDRESS ACCEPTING REPUBLICAN NOMINATION

I have received the greatest flood of telegrams that has ever come into the White House this morning as the result of last night's address, and we will not be able to make the usual personal acknowledgment to all of them with our present staff and equipment. If you have the opportunity I would be glad if you would express my personal appreciation of the extraordinary support which has come to me by communication.

That is all I have today.

NOTE: The President's two hundred and fifty-sixth news conference was held in the White House at 4 p.m. on Friday, August 12, 1932.

On the same day, the White House issued a text of the President's letter accept-

ing the resignation of Walter S. Gifford as Director of the President's Organization on Unemployment Relief (see Item 261).

261

Letter Accepting the Resignation
of Walter S. Gifford as Director
of the President's Organization on Unemployment Relief.
August 12, 1932

[Released August 12, 1932. Dated August 11, 1932]

My dear Mr. Gifford:

I have your letter of August 5th and deeply regret that the time has expired during which you undertook to make the sacrifice entailed by directing national coordination of unemployment relief agencies. I recognize full well the difficulties it has imposed on you amongst your other duties and obligations and I cannot, of course, ask you to continue over the coming winter.

I do wish to take this occasion to express the appreciation I have, and that I know the whole of our people have, for the notable contribution to public service you have made during these difficult times.

I am greatly indebted for your willingness to be helpful in an advisory and consulting capacity in setting up coordination work for next winter and will depend upon you. Early in the fall we shall be able to see more clearly the problems before us, and the measures of coordination which will be required for the winter. I trust the national and state members will hold fast.

Yours faithfully,
HERBERT HOOVER

[Mr. Walter S. Gifford, American Telephone & Telegraph Co., New York City]

NOTE: Mr. Gifford's letter of resignation, dated August 5, 1932, follows:

Dear Mr. President:

Last August you asked me to set up and become the Director of the President's Organization on Unemployment Relief for the winter of 1931-1932. While I have

found it possible to carry on somewhat longer than I originally anticipated I reluctantly feel that I cannot, on account of other obligations and duties, undertake the work for another winter.

In resigning, I wish to express my deep appreciation of the opportunity of having served under your leadership in an undertaking so vitally important to our country at this time.

Faithfully yours,

WALTER S. GIFFORD

[The President, The White House, Washington, D.C.]

262

Message on Luther Day.

August 13, 1932

[Released August 13, 1932. Dated July 28, 1932]

My dear Mr. Nickelsburg:

I will be obliged if you will express my cordial greetings to those gathered for the Bicentennial Celebration of the birth of George Washington arranged by the Lutheran Churches of the States of New York, New Jersey and Pennsylvania, and to be held at Ocean Grove, New Jersey on August 13th. The great qualities of character by reason of which George Washington towers supreme in our history were products of the Christian virtues inculcated by his deeply religious mother and devoutly practiced by him as a professed churchman. I trust that this gathering will be inspired to a new devotion to our beloved country through its exercises commemorating his birth.

Yours faithfully,

HERBERT HOOVER

[Mr. J. F. E. Nickelsburg, American Lutheran Publicity Bureau, 69 Fifth Avenue, New York City]

NOTE: The message was read at a gathering held at Ocean Grove, N.J., on August 13, 1932, and was published in the August 1932 edition of the American Lutheran.

Remarks on the Unveiling of a
Memorial Statue of James Cardinal Gibbons.

August 14, 1932

DURING THE Great War and afterwards I came often into personal association with Cardinal Gibbons in the organization of relief work for the destitute of Europe and in the development of our own Government war agencies after we joined in the conflict. I came to know him, not only as a great leader in his faith but also as a man devoted to the widest of humanities and an American of burning patriotism. I can therefore join this ceremony not alone in my official capacity accepting this memorial which will beautify the city of Washington, but in appreciation of him as a man and as a citizen.

In his lifetime Cardinal Gibbons won the personal affection of thousands of Americans of every race and of every creed. Millions more, who knew him only through his writings and his public career, shared in this affectionate regard. He stood upon a gentle eminence. He was by every instinct a man of the people, yet he was always distinguished in any gathering for the radiant sweetness of his spirit and the kindliness of his wisdom.

Cardinal Gibbons carried his religion into the daily toil and complexities of life. He bore an active part in all the public concerns of his place and time. Movements for social betterment found in him an unfailing friend and practical counsellor. He championed the cause of labor in moments of crisis. His interest in the welfare of the Negro race found practical expression in the institute erected by him at Ridge, Maryland, for their instruction in the practical arts.

Cardinal Gibbons truly loved human beings—as he found them, in all their variety and with all their imperfections. He loved God, and to a degree that is seldom equalled he succeeded in carrying into the minds of other people the feeling that the truths of religion are really their primary aids in solving the perplexities of everyday living.

Above all, the impression he made upon the country was of the power that gentleness, kindliness, and homely wisdom can have, not only to shape one's personal life, but also to influence the larger affairs of the community and the Nation.

It is of special interest to observe that practically his whole active life was lived in his native city of Baltimore. From this one place as its center, his effect upon his fellowmen spread to the remotest parts of the United States. His life was a remarkable demonstration of the power of a quietly noble personality to expand its influence to other people far beyond the range of his physical presence.

Conciliation was implicit in his philosophy of life, and was the method in his public acts. It was far more effective than violence of thought or action. Both reason and reasonableness were his building tools.

Cardinal Gibbons was always proud of his American birth and of his American citizenship. He was a patriot, proud of his country, zealous in his support of its democratic institutions. I am glad to accept upon behalf of the Government this commemoration of the life of a great citizen.

NOTE: The President spoke during ceremonies at 16th and Park Road, NW., Washington, D.C. His remarks were carried over the National Broadcasting Company radio network.

264

Statement Announcing a Conference of Federal Reserve
District Banking and Industrial Committees.
August 14, 1932

THE PRESIDENT said:

I have called a national conference for August 26, of the business and industrial committees of the 12 Federal Reserve districts for the purpose of organizing a concerted program of action along the whole economic front. The conference will deal with specific projects where definite accomplishments in business, agriculture, and employment can be attained and will coordinate the mobilization of private and governmental instrumentalities to that end.

On July 29, I announced that preliminary conversations were in progress between responsible heads of the government instrumentalities and private groups in business and industry as to such a program, and that at a later time I would announce the date of a conference for a more definite development of these ideas. The areas of positive and definite action have been further explored by informal discussions between representatives of various groups and industries with Government officials during the past 2 weeks.

Twelve committees representing the Federal Reserve districts were established some weeks ago. I have asked the chairmen of these committees, together with the Government officials set out below to meet in Washington the day before the conference for the purpose of preliminary preparation of the program and organization of the conference:

Members of the organization committee are:

CARL P. DENNETT, Chairman, Boston District
 OWEN D. YOUNG, Chairman, New York District
 GEORGE H. HOUSTON, Chairman, Philadelphia District
 L. B. WILLIAMS, Chairman, Cleveland District
 EDWIN C. GRAHAM, Chairman, Richmond District
 GEORGE S. HARRIS, Chairman, Atlanta District
 SEWELL L. AVERY, Chairman, Chicago District
 J. W. HARRIS, Chairman, St. Louis District
 GEORGE D. DAYTON, Chairman, Minneapolis District
 JOSEPH F. PORTER, Chairman, Kansas City District
 FRANK KELL, Chairman, Dallas District
 K. R. KINGSBURY, Chairman, San Francisco District
 OGDEN L. MILLS, Secretary of the Treasury
 ARTHUR M. HYDE, Secretary of Agriculture
 ROY D. CHAPIN, Secretary of Commerce
 W. N. DOAK, Secretary of Labor
 EUGENE MEYER, Governor of the Federal Reserve Board
 ATLEE POMERENE, Chairman, Reconstruction Corporation
 PAUL BESTOR, Chairman, Farm Loan Board
 FRANKLIN FORT, Chairman, Federal Home Loan Board
 JAMES C. STONE, Chairman, Federal Farm Board

In addition I shall appoint some special committees to advise on particular questions which directly concern agriculture, labor, railways, and other industries and groups which are directly affected.

Among the subjects which will be considered and definitely formulated are: a canvass of the means, methods, agencies, and powers available in the country for general advancement; wider expansion of credit facilities to business and industry where consumption of goods is assured; coordination and expansion of livestock and agricultural credit facilities; coordination and expansion of financial facilities for the movement of commodities into consumption; expansion of programs for repairs and maintenance of the railways; and creation of organization for further spread of existing employment and expansion of employment.

A number of other possible questions such as the forthcoming World Economic Conference, protection of bondholders and mortgage renewals, coordination with trade groups, and other subjects will be explored. It is expected to outline a basis for public, commercial, and trade group cooperation in the execution of the purposes of the conference.

NOTE: On the same day, the White House issued a list of additional members participating in the conference.

265

Message in Tribute to General Leonard Wood.

August 17, 1932

[Released August 17, 1932. Dated August 13, 1932]

My dear Mr. Secretary:

I will be obliged if, in your address at Winchester, New Hampshire, next Wednesday, you will convey my cordial greetings to the audience and express my deep sense of the value of General Leonard Wood's services to country as soldier and administrator.

Yours faithfully,

HERBERT HOOVER

[266] Aug. 18 *Public Papers of the Presidents*

[Hon. Frederick H. Payne, Assistant Secretary of War, Washington, D. C.]

NOTE: Assistant Secretary Payne read the message at the dedication ceremonies of a memorial to General Wood.

266

Remarks on Presenting Distinguished Flying Crosses
to Aviators Wiley Post and Harold Gatty.

August 18, 1932

I COMMEND your flight around the world in 9 days. It was a monument to your courage and skill, and I want to express my admiration to you and the admiration of the world.

NOTE: The President spoke at presentation ceremonies at the White House.

As printed above, this item follows the text set forth in a contemporary news account.

267

The President's News Conference of
August 23, 1932

CONFERENCE OF FEDERAL RESERVE DISTRICT
BANKING AND INDUSTRIAL COMMITTEES

THE PRESIDENT. I haven't anything to announce today. I thought I would give you some background as to this forthcoming conference which begins its meetings on Thursday and continues Friday and part of Saturday. That is not a general economic conference or a conference to deal with the whole economic situation. It is a conference of the business and industrial committees which were created in each Federal Reserve district somewhere about 2 months ago. And the problems to be dealt with are not general problems but the problems with which those committees have been dealing. They run in two major directions.

384

The first is, now that the credit strain of the world is very much moderated, to get our credit machinery functioning again in all directions so as to better sustain commerce and industry and agriculture. The credit strain, as you know, has for more than 15 months resulted in the great restriction of credits from the banks and from all quarters. That strain began to be relieved in the month of June and has gone on progressively relaxing, but there are a great many derangements through the country, and it is proposed at this conference to coordinate all of the activities, so far as possible, of governmental agencies and the private agencies throughout the country to take up and solve the points of disarrangement. There are many industries which have not been able to obtain credits even though they had the normal credit terms. That varies in different parts of the country. It has been dealt with in different fashion by these committees, and we want to secure a coordinated and definite program for the whole country.

The other objective of the conference is to develop plans by which these committees may interest themselves in the spread of employment. Some of the committees have taken that up in their different districts with considerable success. The committees represent the banks and leading merchants and leading employers of the districts, and we are seeking to enlist the systematic activities of those committees throughout the country. The committee on the Pacific coast, for instance, has been most active in that direction and has developed a great deal of experience. The spread of employment has been going on, as you know, ever since the depression began 2½ years ago, by a great many industries. Others have not felt the pinch and have not entered into it, and the idea is to spread employment even further than it has been done hitherto.

Those are the two major objects of this conference. It is a limited area. It is hoped that we may have benefits to agriculture by straightening out the difficulties which arise, especially in credit for the handling of livestock, which has been a very acute difficulty, and feeder cattle, et cetera, and the better handling of credits for the movement of agricultural commodities into the normal channels of trade both at home and abroad. It will deal with the question of systematic organization of credits for industrial establishments, et cetera.

I want to get it clear that this is not a general conference. It is a conference of these already established agencies, and the various elements of the community are represented only so far as those committees represent them; that where problems are taken up and organization is suggested, then the various groups will be brought in to cooperate. In other words, this is the setting up of organization in different activities under committees who will follow up, and those committees will then embrace a wider-spread distribution of activities into different groups than this conference will represent. Take the case of the question of the spread of employment. Discussions have taken place with organized labor by the men engaged in the preliminary work, and the labor world will be brought into the active pursuit of these policies when the interest of employer and so on has been secured. And the same thing applies to the agricultural groups. But it is not a general economic conference. It is a conference of these agencies that are already going with a view to uniformity and positive organization and with a view to taking on many more problems where they will come up within this area.

I notice a good deal of misunderstanding about it from a number of people, who believe that either they or some representative from their group should be invited. If we attempted to cover the whole economic gamut of the United States we would have a conference of several thousand people, whereas we are endeavoring to cover one segment of our battle at a time.

Q. Mr. President, will you personally address this gathering at any time?

THE PRESIDENT. Yes, I am going to attend the conference. And it will be addressed by Mr. Mills and Mr. Meyer and Senator Pomerene, Mr. Fort, probably Mr. Bestor, the Secretary of Commerce,¹ and the other officials who have a part in the field being covered by the conference. Those addresses will be by way of explanation of the functions of the

¹ The President referred to Secretary of the Treasury Ogden L. Mills, Federal Reserve Board Governor Eugene Meyer, Reconstruction Finance Corporation Chairman Atlee Pomerene, Federal Home Loan Bank Board Chairman Franklin W. Fort, Federal Farm Loan Commissioner Horace Paul Bestor, and Secretary of Commerce Roy D. Chapin.

different Government agencies that bear on the problems which the conference is to consider. After that point the conference becomes a conference of the private institutions and individuals in the development of coordination of their activities and coordination of Government activities.

Q. Will this be made the opening day?

THE PRESIDENT. It will all be short.

Q. Who will preside?

THE PRESIDENT. I am going to open it. An executive committee has been provided. As I announced some days ago that the chairmen of the business and industrial committees of the different Federal Reserve districts have been called in the day before, that is on Thursday, to organize the conference and to lay out a program. And on that executive committee will be the heads of the different Government agencies so that that committee will present to the conference on Friday as soon as the general statements are over, a setup and program for the conference itself.

Q. Mr. President, in referring to spread of employment does that mean 5-day week or some consideration like that?

THE PRESIDENT. No. The 5-day week as an accurate description is proving to be somewhat misleading. Industries have to approach the problem, each and every one of them, in a fashion adapted to its own work. Some of them use the 5-day week for individuals, and still operate 7 days a week. Others only operate 2 days in the week now. Others of them operate 3 days. Others of them have shorter shifts, and some industries run on four shifts of 6 hours each. So we are not using the statement 5-day week.

Q. Mr. President, will you meet with the executive committee on Thursday?

THE PRESIDENT. No.

NOTE: President Hoover's two hundred and fifty-seventh news conference was held in the White House at 12 noon on Tuesday, August 23, 1932.

268

Letter to Reverend Daniel A. Poling on Prohibition.
August 23, 1932

[Released August 23, 1932. Dated August 22, 1932]

Dear Dr. Poling:

I deeply appreciate your telegram and the spirit and the understanding which animate it.

There are many moral and spiritual problems before us, to which you have given so many years of devoted service. We are on common ground in a desire to rid this civilization of the evils of the liquor traffic. We may not all agree on method as I have come to the belief that we must, through constructive and not destructive changes, revive the energies of the states to deal with the new evils, with federal constitutional guarantees against the return of the old evils. We must drive steadily toward disarmament and world peace. We must fight for economic recovery, not only for its material values, but we must secure from this period a revaluation of the purposes of life and shift our drift from materialism to a higher note of individual and national ideals. We must awaken a sense of national consciousness of the purposes of life itself. We must contend every moment for the wider development of free men and women through the one road to that end, that is, loyalty to a century and a half of our own American aspirations.

Again I wish to express my appreciation for the friendship of yourself and your colleagues.

Yours faithfully,
HERBERT HOOVER

[Dr. Daniel A. Poling, Hillsboro, New Hampshire]

NOTE: Rev. Poling was chairman of the Allied Forces for Prohibition.

269

Letter to Senator Reed Smoot on Representation
of Silver Interests at a World Economic Conference.

August 23, 1932

I HAVE your inquiry as to whether it has been finally settled that the silver question will be dealt with at the forthcoming World Economic Conference and as to the constitution of the American Delegation to the Conference. At the request of the American government it has been agreed that the silver question will be a part of the conference. In making up the American Delegation I shall appoint someone representing the silver point of view as a member of the delegation. I prefer this representative to be a real representative of the silver mining interest and from the western portion of the United States.

HERBERT HOOVER

[Honorable Reed Smoot, Hotel Utah, Salt Lake City, Utah]

NOTE: On August 2, 1932, the United States had formally accepted an invitation from the League of Nations to participate in a world monetary and economic conference.

In voting appropriations to defray the expenses of participation, Congress had stipulated that the silver question be placed on the agenda.

270

Remarks on Presenting the Congressional Medal of Honor
to Commander Claude A. Jones.

August 24, 1932

IT GIVES ME great pleasure to present to you this medal in recognition of your courageous and highly commendable action.

NOTE: The President spoke at presentation ceremonies at the White House. Commander Jones was decorated for extraordinary heroism during a hurricane off Santo Domingo on August 29, 1916.

As printed above, this item follows the text of a contemporary news account.

271

Message to President Gabriel Terra
on Uruguay's Independence Day.

August 25, 1932

ON THIS national holiday when Uruguay celebrates the anniversary of its independence, I take pleasure in sending to Your Excellency sincere felicitations and best wishes for the prosperity of the Republic to which we are bound by ties of friendship and common interests.

HERBERT HOOVER

[His Excellency Gabriel Terra, President of the Oriental Republic of Uruguay, Montevideo, Uruguay]

272

Address to the Conference of the Federal Reserve
District Banking and Industrial Committees.

August 26, 1932

Gentlemen:

We have asked you, the members of the 12 Federal Reserve district banking and industrial committees, to confer together and with the officials of the Government agencies which are engaged in the problems of the depression. The purpose of the conference is to better organize private initiative and to coordinate it with governmental activities so as to further aid in the progress of recovery of business, agriculture, and employment. The committees of the different Federal Reserve districts were created some time since and have already been of great service in the solution of many local problems. Many constructive projects have been advanced by them. We wish to expand the ideas and solutions developed in the different districts over other areas where they may be adaptable, to coordinate private and governmental agencies, to initiate steps for organization of groups to undertake special and immediate problems in credit, in industry, in agriculture, and in employment as

they arise in the different districts. In other words, this is a meeting not to pass resolutions on economic questions but to give you the opportunity to organize for action. It is not proposed that you shall have authority from the Government but that you should join in stimulation of organized private initiative of America.

The reason for calling this conference at this particular moment is that we are convinced that we have overcome the major financial crisis—a crisis in severity unparalleled in the history of the world—and that with its relaxation confidence and hope have reappeared in the world. We are now able to take further steps in solution of the industrial and agricultural problems with which we are still confronted.

To have overcome this stupendous crisis is not alone a tribute to the courage of American people but a proof of our resources. A moment in review of the magnitude of the forces we have overcome should strengthen our confidence for the future and the steps we now propose.

You will recollect that after a year of worldwide depression we came into the first quarter of 1931 with strong evidences of our recuperation. During those early months of 1931, the failure of banks decreased by 70 percent from the previous quarter. The hoarding of currency practically disappeared. The signs of resumption of industrial activity and employment gave us the right to hope that the country was righting itself. Then there came to us a concentration of catastrophes from abroad such as we have not experienced in the whole of our economic history. The economic and political demoralization in foreign countries, weakened by the Great War and the treaties, together with the general depression itself, loosened a host of new forces of destruction.

The first evidence of the impending financial collapse abroad was the difficulties of the largest bank of Vienna in April a year ago. In rapid succession were the difficulties of the national banks of Austria, of Yugoslavia, and finally of the Reichsbank, in the month of May. The general panic began in Germany in June and finally culminated in drastic governmental decrees suspending exchanges, closing of all banks, and accompanied by the failure of important institutions. Similar suspensions took place in other important areas in Central Europe. The difficulties were further increased by the revolution in Spain and revolu-

tions in Peru and other South American countries, the latter adding many further defaults upon foreign obligations. On the first of August evidence of distress in the Bank of England was indicated by heavy borrowing from abroad, further emphasized at the end of August by the large foreign loans by the British Government in an effort to protect exchanges. But the strain proved too great, and the gold standard was abandoned by England at the end of September, followed in October and November by similar action in Sweden, Norway, Denmark, Finland, Australia, India, and Egypt, with restrictions upon exchange in many other countries, which equally disrupted international payments and foreign trade. In September the conflict in the Far East began, and was followed by the suspension of the gold standard in Japan in December and the disturbing military operations of last winter. During the early months of this year, we witnessed more revolutions in small countries and further defaults upon their obligations.

In even normal times any one of these many shocks to economic stability would have seriously impaired our economic life and created falls of prices and unemployment. The effects upon us of each of those invasions were instantaneous. American securities held abroad were dumped upon our markets. The prices of our stocks and bonds and commodities were continuously undermined. Huge foreign deposits in our banks were frantically withdrawn. Our own borrowers on commodities and on securities were called upon for more margins. The necessity of meeting these drains brought pressure on every borrower in America, whether it be a bank or bank's customer, a manufacturer or a farmer, a homeowner or a merchant. Paralyzing fears spread into every quarter of our country. These fears added fuel to the fire through nationwide hoarding of currency. This hoarding increased to \$70 million a week at the time of the German collapse, but stopped temporarily with the German moratorium, but rose to \$150 million a week after the failure in England. The demand for goods slacked over the whole world and agricultural prices gave way entirely. Unavoidable delays and difficulties in legislative action added to the fears and apprehensions of our people. As we look back over the depression now we find over \$2,400 million was withdrawn from us by foreign nations and their citizens, and a total

of \$1,600 million of currency was at one time withdrawn by our own citizens from our own banks. You know and I know that this foreign exchange, the gold shipped abroad, the currency and gold hoarded in our own country, is taken from the base of the inverted pyramid of our credit structure and translates itself into a strangulation of the volume of credit from 2 to 10 times even these huge amounts. Let no man believe that these are questions which are of interest solely to big business. They are the origins of millions of human tragedies of losses, unemployment, and distress.

The whole of this 18 months has been a period of constant defense and counterattack against these invading forces. The German moratorium, the German standstill agreement, the advances of our banks to the national banks of foreign countries, the creation of the National Credit Corporation, the Reconstruction Finance Corporation, the increased powers to the Federal Reserve System, the balancing of the budget, the financial aids to the farm loan banks, and above all, the unity and courage of our people, represent our incessant action in defense and counterattack.

Today that picture has greatly changed. We can look with assurance upon the cessation of foreign withdrawals from our country simply because they have substantially removed their holdings, and we have successfully accommodated ourselves to it. Our strength has proved equal to the shock although with many casualties. Confidence is returning. A return flow of gold from abroad has begun. Europeans are again investing in our markets. With the large prevention of bank failures and with relief from foreign pressure and its constantly renewed fears, the domestic hoarding of currency has ceased and is now returning at the rate of nearly \$20 million a week. The demands for banking assistance from the Reconstruction Corporation have diminished by \$170 million from the previous month. That our financial foundations are unimpaired is indicated by the fact that measured in amount of their trusts, 98 per cent of our banking and fiduciary obligations to the public are intact. Seventy million insurance policies and 25 million depositors have been saved from jeopardy.

It is not alone our country that is making a successful fight for the return of stability. Foreign countries have not been idle in placing their own houses in order. The Lausanne Agreement has contributed to return of confidence. But while we thus see growing improvement in the financial sector, we must continue the battle upon the industrial and agricultural fronts. There is, however, a new setting of the depression, which offers opportunity through this confidence to set up machinery for wider spread cooperation of private forces and to coordinate them with our Government agencies for aid and action in industrial and agricultural fields.

Definite projects will be laid before you affecting the better distribution of credit, of employment, and commodities. What I wish is that banking and industry and business generally should in this new setting assume further initiative and responsibility, and they should cooperate with agriculture and labor and the Government agencies to organize and develop every possible avenue of coordinated effort on the economic front. Your committees have in different districts already made positive contributions; these tried methods need spread and more definite national organization; they need coordination with our governmental programs. You can assist to make that great program more effective. In so doing you will bring hope and added security to every farmhouse and every cottage door.

It is not proposed to engage in artificialities. Nor is it proposed that you attempt to settle here in a day great economic problems of the future. It is simply proposed that you organize for action in the problems immediately before us. Great future problems will occur to you as they are in the minds of all of us. You will no doubt seek the cooperation of national groups of business, agriculture, and labor to put such questions on the road to investigation and consideration.

I should like to suggest to you some general directions of thought.

We have a powerful governmental program in action for aid to recovery formulated and organized upon a nonpartisan basis. I am in hopes you will familiarize yourselves with its possibilities so as to coordinate your activities with it.

We need a better distribution of credit. Credit is available, but in many sections it is flowing inadequately in directions which would stimulate consumption of goods and employment. It needs resolution to use our banking and governmental resources and coordination to make them effective. There can be no question that there are in certain sections large numbers of businesses, particularly small business, which have been unable to find the credit facilities to buy raw material and to employ labor on goods which they can sell. There are difficulties in livestock and farm credits. There are foreclosures of home and farm mortgages because of inability to secure renewals. Yet credit is available if it be properly directed.

In the furtherance of business recovery it is clearly necessary that there be coordination of effort in hastening the return of unemployed to employment in their natural industries. It is doubtful whether any action we could take at this time would so greatly accelerate our progress, serve the welfare of our unemployed millions, or so quickly give us as a nation the benefit of widespread spending power as further spread of equitable plans of sharing the available work. As a matter of national policy, the shortening of hours is necessary not alone to meet the need of the moment, but it may be necessary to take up the slack in the future from the vast and sudden advance in laborsaving devices. As the result of conferences similar to this nearly 3 years ago many industries realigned their operations by shorter hours to retain hundreds of thousands of workers who would otherwise have been dismissed. Nevertheless, the still further spreading of available work in industrial, commercial, and service activities, especially with every recovery of employment, would be a vital contribution. Your committee in the 12th district recently inaugurated a drive for this spread of work. Already it is a great success. Many methods have been proposed by labor and industrial leaders to systematically shorten hours. While I heartily favor the purpose of these plans, I agree with both the employers and the leaders of labor whom I have consulted that its direction is not properly the function of Government, except as applied to the operation of Government service. Moreover with all the various phases of employment and operation to be met in private busi-

ness no general rule can be applied. Results must be achieved through cooperation on the part of employers and employees suited to each locality and industry. I suggest you should consider the effective part which you can play in further forwarding organization to this end.

I do not need to remind you that the distressing problems of agriculture are not alone the problems of the farmer and the Government. Its relief is one of the primary foundations of all progress in our country, and upon it does the progress of your business depend. It is as much your problem as it is the problem of the farmer, and cooperation of your committees with the leaders of agriculture and the agencies which affect their welfare cannot but be helpful.

The other speakers will compass these many questions in detail, and I have but one final word. Now as always recuperation of the country will be the result of the multitude of activities of our citizens and the sustained confidence of our people in its great future. The problem before this conference is not to settle great questions of the future, or to establish artificialities, but rather by practical steps today or organization contribute to make more effective the activities of every agency which can promote the recovery of the Nation.

The great war against depression is being fought on many fronts in many parts of the world. One of the most stupendous actions of this great front has been the long battle of the last 18 months to carry our financial structure safely through the worldwide collapse. That battle may be likened to the great battle of Chateau Thierry. That attack on our line has been stopped, but I warn you that the war is not over. We must now reform our forces for the battle of Soissons.

NOTE: The President spoke at the opening meeting of the conference in the Commerce Department Building. The conference met from August 26 to August 28, 1932.

273

Letter Accepting the Resignation of Hanford MacNider
as United States Minister to Canada.

August 31, 1932

My dear Mr. Minister:

I regret exceedingly that your private affairs make it necessary for you to suspend for the present your contribution to public service.

In accepting your resignation I need mention but one great service which you have performed during your term of office in Ottawa—the building up of mutual understanding between our government and the great government to the North. By the cooperative spirit which you have been able to invoke with officials of both governments you have contributed in large part to the consummation of the great treaty for the development of the Great Lakes-St. Lawrence Waterway. It is a notable service, and one of which you may always be proud.

Yours faithfully,

HERBERT HOOVER

[Hon. Hanford MacNider, American Minister to Canada, Care, State Department, Washington, D.C.]

NOTE: Mr. MacNider, Minister to Canada since May 1930, resigned to return to his farming and banking activities in Iowa.

274

Message to the United States Building and Loan League.

September 1, 1932

[Released September 1, 1932. Dated August 31, 1932]

Dear Mr. Whitlock:

The Fortieth Annual Convention of the United States Building and Loan League is practically simultaneous with the institution of the Federal Home Loan Bank Board. That Board and the system of banks which it contemplates are in a large measure a tribute to the fine

underlying theory and efficiency of management of the building and loan associations of the United States.

The building and loan movement has contributed greatly to render it possible for American citizens to acquire ownership of their homes. In doing it, there has been created a structure now running into the billions of dollars, whose solvency record equals that of any of our other well managed financial institutions. The human aspects of your work are of vital consequence to our nation. Federal Home Loan Banks, the establishment of which I have advocated during the past seven years, should prove of enormous benefit to you. It is one of my deepest hopes that an increasing number of American children will be reared in healthful and happy homes and an increasing number of our citizens will pass their declining years in the comfort and security that home ownership brings.

May you have the success that fine public service in a spirit of mutual benefit deserves.

Yours faithfully,
HERBERT HOOVER

[Mr. Ward B. Whitlock, United States Building and Loan League, French Lick Springs Hotel, French Lick, Indiana]

NOTE: The message was read to the convention of the league, meeting in French Lick, Ind.

275

Letter to the President of the Civil Service Commission
on Political Activity of Federal Employees.

September 2, 1932

My dear President Campbell:

I notice in the press this morning a statement that "Government employees and their families are prohibited from expressing publicly their views on the soldiers' bonus, under a new regulation promulgated by the Civil Service Commission."

I cannot believe that this is true, and would be glad to have a statement from you upon it.

Yours faithfully,

HERBERT HOOVER

[Hon. Thomas E. Campbell, President, Civil Service Commission, Washington, D.C.]

NOTE: The White House also issued texts of President Campbell's response to the President's letter and President Theodore Roosevelt's original interpretation of the Civil Service prohibition of political activity.

See also Item 276.

The text of President Campbell's letter, also dated September 2, follows:

My dear Mr. President:

I, too, noticed in the paper this morning the statement quoted by you in note of even date that "Government employees and their families are prohibited from expressing publicly their views on the soldiers' bonus, under a new regulation promulgated by the Civil Service Commission".

On behalf of my colleagues I wish to state that the Commission has not promulgated a new regulation in this matter, and that in fact there has been no submission to the Commission of any case which would require decision as to whether activity by Government employees at American Legion meetings in favor of bonus legislation would fall within the regulations originally promulgated by President Roosevelt against certain classes of political activity by classified civil service employees of the Federal Government.

I have the honor to be,

Very respectfully,

THOMAS E. CAMPBELL

President

276

Letter to the Postmaster General Directing
the Reinstatement of a Postal Clerk.

September 2, 1932

My dear Mr. Postmaster General:

In the press this morning it is stated: "Government employees and their families are prohibited from expressing publicly their views on

the soldiers' bonus, under a new regulation promulgated by the Civil Service Commission."

Upon seeing this I addressed the attached letter to the Chairman of the Civil Service Commission, and have the enclosed reply from him. It is apparent therefore that no such action has been taken by the Commission.

The press article further states that in removing one Ben H. Kerr from the postoffice at Gary, Indiana, the charge was made against him "that he introduced a bonus resolution at a meeting of the American Legion at Crown Point, Indiana, on March 6th, contrary to the expressed wish of the President who considers such legislation harmful to the country at this time."

As you are aware, I have never made any such suggestion as to this or any other public question in its relation to the conduct of government employees. The fact that they differ with my views does not necessarily constitute "political activity" under the law which forbids such action.

In order that there may be no misunderstanding or misrepresentation in this matter, I consider that Mr. Kerr should be reinstated in the Post-office service at once.

Yours faithfully,
HERBERT HOOVER

[The Honorable, The Postmaster General, Washington, D.C.]

NOTE: For the letters to which the President referred, see Item 275.

The text of Postmaster General Brown's letter, also dated September 2, follows:

My dear Mr. President:

Replying to your letter of the 2d instant, relative to the dismissal of Clerk W. H. Kerr from the postal service at Gary, Indiana, I have the honor to inform you that the file in the Kerr case discloses several serious infractions of the postal laws and regulations warranting severe disciplinary action. However, since the record raises the right of postal employees freely to express their views upon public matters, a right as to which there should be no question, I am directing the reinstatement of Clerk Kerr.

Sincerely yours,
WALTER F. BROWN

[The President of the United States]

277

Message to Scholastic Magazine.

September 3, 1932

[Released September 3, 1932. Dated August 13, 1932]

My dear Mr. Gould:

In reply to your request I cannot better express myself than by the following quotation from a recent address to the American people:

"The emergency measures now in action represent an unparalleled use of national power to relieve distress, to provide employment, to serve agriculture, to preserve the stability of the Government, to maintain the integrity of our institutions. Our policies prevent unemployment caused by floods of imported goods and laborers. Our policies preserve peace. They embrace cooperation with other nations in those fields in which we can serve. With patience and perseverance these measures will succeed.

"With these courses we shall emerge from this great national strain with our American system of life and government strengthened. Our people will be free to reassert their energy and enterprise in a society eager to reward in full measure those whose industry serves its well-being. Our youth will find the doors of equal opportunity still open.

"I have but one desire; that is, to see my country again on the road to prosperity which shall be more sane and lasting through the lesson of experience, to see the principles and ideals of the American people perpetuated.

"I rest the case of the Republican Party on the intelligence and the just discernment of the American people. Should my countrymen again place upon me the responsibilities of this high office, I shall carry forward the work of reconstruction. I shall hope long before another four years have passed to see the world prosperous and at peace and every American home again in the sunshine of genuine progress and genuine prosperity. I shall seek to maintain untarnished and unweakened those fundamental traditions and principles upon which our Nation was founded and upon which it has grown. I shall invite and welcome the

[278] Sept. 4 *Public Papers of the Presidents*

help of every man and woman in the preservation of the United States for the happiness of its people. This is my pledge to the Nation and to Almighty God.

Yours faithfully,

HERBERT HOOVER

[Mr. Kenneth M. Gould, Managing Editor, The Scholastic, New York City]

NOTE: The above quotation, from the President's address accepting the Republican Presidential nomination, was printed in the September 3 issue of the Scholastic, a national magazine for the high school classroom.

278

Message in Tribute to Thomas Alva Edison.

September 4, 1932

MRS. HOOVER and I regret that we cannot be with you but are glad to have the opportunity of joining in your tribute to the genius of Thomas A. Edison on this anniversary. The debt which this country and indeed the whole world owes to Mr. Edison is everywhere recognized, but in this universal acclaim let us not forget the fine and admirable character, the lofty soul of the man to whom we owe so much. Here also is a source of pride to all Americans.

HERBERT HOOVER

[James W. Bishop, Edison Institute, Dearborn, Michigan]

NOTE: The message was read at ceremonies, held at the Ford Museum in Dearborn, Mich., commemorating the 50th anniversary of the opening of the first commercial electric lighting and generating plant in New York City.

279

Message to Abelardo Rodríguez on His Inauguration
as President of Mexico.

September 6, 1932

UPON THE OCCASION of Your Excellency's inauguration as Substitute Constitutional President of Mexico, I wish to express my sincere

402

good wishes for the success of your administration and for the prosperity and happiness of the people of Mexico.

HERBERT HOOVER

NOTE: On September 4, 1932, the Mexican Congress unanimously elected General Rodríguez to succeed Pascual Ortiz Rubio who had resigned as President of Mexico on September 3.

280

Message to the Lafayette-Marne Day Committee.

September 6, 1932

[Released September 6, 1932. Dated September 1, 1932]

THE COINCIDENCE of Lafayette's birthday and the anniversary of the battle of the Marne annually evokes in all American hearts a warm response of sentiment to these two names, each of which is a symbol of liberty.

HERBERT HOOVER

[Mr. Maurice Leon, 44 Wall Street, New York City]

NOTE: The Marquis de Lafayette, a French officer who served during the American Revolutionary War, was born on September 6, 1757.

The first Battle of the Marne began on September 6, 1914, in France, during World War I.

281

Message to the Affiliated Better Business Bureaus Conference.

September 9, 1932

[Released September 9, 1932. Dated September 6, 1932]

My dear Mr. Riehl:

I will be obliged if you will express my cordial greetings to the National Convention of the Affiliated Better Business Bureaus. Every organization sincerely working to advance the cause of truth in adver-

tising is definitely contributing to the security and enlargement of business enterprise. Likewise, every organization working to clean up and keep clean the security issues offered to the public is contributing to the economic stability and progress of the country. All such efforts deserve commendation and general public support.

Yours faithfully,

HERBERT HOOVER

[Mr. Harry Riehl, President, Affiliated Better Business Bureaus, Inc., Deshler-Wallick Hotel, Columbus, Ohio]

NOTE: The message was read at a banquet during the bureaus' annual conference and was broadcast over the blue network of the National Broadcasting Company.

282

The President's News Conference of *September 9, 1932*

PUBLIC WORKS PROGRAM

THE PRESIDENT. I have nothing to announce that warrants so large an attendance today. In order to give further aid to employment I have instructed the various departments to undertake the speeding up of the Federal public works programs by the amount of slightly less than \$200 million which was provided under contingent appropriations under the 1932 Relief and Reconstruction Act.¹ The Secretary of the Treasury has notified me that the funds are available and the various projects will be undertaken at once. By the additional amounts that can be supplied from this fund, the total construction work by the Federal Government during this current fiscal year will exceed \$750 million. The speeding up, or rather the programs which can be speeded up under this appropriation

¹ The Emergency Relief and Construction Act of 1932.

are those which were established some 2 to 5 years ago and are in course of preparation or actual consideration. They lie largely in the river and harbor, flood control, and public building projects. It will be interesting to note that the expenditure on all classes of construction since the depression began and up until next July will total about \$2,300 million. That sum is just about double the normal pace of Federal construction work, and obviously the increase is due entirely to the desire to assist in employment.

The actual projects which will be speeded up in this program will be given out by the various departments. I think the Treasury will be ready with the buildings not later than Monday. So that you can get the details from the various departments.

As I said, it largely amounts to a speeding up program of projects already in course and the undertaking of public buildings which have been authorized some years ago.

Q. Mr. President, do you know if any of the departments are ready with the projects today?

THE PRESIDENT. The War Department may be able to indicate where they are going to apply their major strength. I don't think the Treasury is ready with the buildings. I was in hopes of having it today. As you will recollect, the location of those buildings are determined by the Secretary of the Treasury and the Postmaster General, and they have determined on most of them but some of the borderline they wanted more time with.

And that is all I have got today.

NOTE: President Hoover's two hundred and fifty-eighth news conference was held in the White House at 4 p.m. on Friday, September 9, 1932.

On the same day, the White House issued a text of the President's statement on the public works program (see Item 283).

283

Statement on the Public Works Program.
September 9, 1932

THE PRESIDENT said:

"In order further to aid employment I have instructed the various departments to undertake the speeding up of the Federal construction program by the amount of slightly less than \$200 million, being the contingent appropriation in the 1932 Emergency Relief and Construction Act. The Secretary of the Treasury has notified me that the necessary funds can be now made available. By the addition of the amounts which can be applied from this fund, the total Federal construction work during this present fiscal year of all kinds will exceed \$750 million. This speeding up from this additional fund will be largely in the river and harbor, flood control, and public building projects which were authorized from 2 to 5 years ago.

"The expenditure on all classes of construction since the depression began and up to next July will total about \$2,300 million. This sum is more than double the normal pace and the enlarged work has, of course, been undertaken solely in aid to employment. The actual projects which will be speeded up under this additional sum will be announced by the various departments."

NOTE: On the same day, the White House issued a text of the Secretary of the Treasury's letter, dated September 7, 1932, which follows:

Dear Mr. President:

As you are aware, the Emergency Relief and Construction Act of 1932 provides for the further speeding up of certain Federal construction projects, practically all of which were authorized some time ago as part of the general Federal building and construction program, provided the sums appropriated shall not be expended "if the Secretary of the Treasury certifies to the President that the amount necessary for such expenditure is not available and can not be obtained upon reasonable terms."

Knowing your desire to provide all the employment possible in the country, I am pleased to be able to inform you, the necessary information having yesterday

been furnished by the Director of the Budget covering the work to be performed during the fiscal year 1933, that I am clear that it will not be necessary for me to certify that the funds necessary for such expenditure cannot be obtained upon reasonable terms.

Faithfully yours,
OGDEN L. MILLS
Secretary of the Treasury

[The President, The White House]

284

Letter Accepting the Resignation of J. W. Pole
as Comptroller of the Currency.
September 9, 1932

[Released September 9, 1932. Dated September 8, 1932]

Dear Mr. Pole:

I have today received your letter of resignation, and I must of course accept it. In doing so I wish to express my appreciation for your remaining in the service at my request many months after you had determined to accept a position elsewhere. But of much more importance than that, I know that I express not only my own appreciation but that of all of the other members of the Government for the extremely able manner in which you have conducted a most difficult task during this period of crisis. We all regret the necessity which compels you to leave the service of the Government, and it would be extremely difficult for us to find someone to take over the office with the assurance of such ability and effectiveness as that which you have shown.

Yours faithfully,
HERBERT HOOVER

[Honorable J. W. Pole, Comptroller of the Currency, Washington, D.C.]

NOTE: Mr. Pole served as Comptroller of the Currency from 1928 until his resign-

nation. His letter of resignation, dated September 6, 1932, and released with the President's letter, follows:

My dear Mr. President:

It is with great personal regret that I find it necessary to tender you, at this time, my resignation as Comptroller of the Currency.

During the past year I have had under consideration various opportunities tendered me to leave the public service and enter private business. Several months ago I decided to accept such an engagement, but owing to the crisis through which the banking system was then passing, I deemed it inadvisable to risk the possible effect which a change in the position of the Comptroller of the Currency might have. I accordingly took no steps at that time to bring the matter to your attention.

My associates in the enterprise have been very patient during these past months, in recognition of the situation, but now that conditions have so fundamentally improved I feel it would be unfair to ask them to defer longer the consummation of the change.

For almost seventeen consecutive years I have been connected with the National Banking System in various capacities, and it is with great reluctance that I relinquish the opportunity and privilege to continue in a branch of the public service which is so constructive and far-reaching in its effects upon the welfare of our country, and during the course of which I have formed so many warm and enduring friendships. However, I feel that I cannot postpone any longer entry upon my new duties, and I should appreciate it if my resignation could be acted upon at your very early convenience and if practicable, that it take effect not later than September 20.

Permit me in closing to extend to you my sincere congratulations upon the able manner in which you have met the emergencies arising during the course of your administration. As Comptroller of the Currency I have been in a position to appreciate the constructive nature of the measures which you have inaugurated and I have every confidence that they will eventuate in a full restoration of our country to normal conditions. I also desire to express to you my great appreciation of the confidence which you have reposed in me.

Respectfully,
J. W. POLE
Comptroller

[The President, The White House, Washington, D.C.]

285

Statement on the Justice Department
Investigation of the Bonus Army.
September 10, 1932

THE PRESIDENT said:

"On the 28th of July last I announced that I had directed the Department of Justice to exhaustively investigate and report in full upon the incidents of the so-called bonus riots of that day in Washington and to present the facts, through sworn witnesses, to the grand jury. I further stated that I should make the Attorney General's report public when received by me.

"The investigation has been completed. In giving out the report which shows the character of many of the persons assembled, the incidents and character of the instigators of the riots, I wish to state emphatically that the extraordinary proportion of criminal, Communist, and nonveteran elements amongst the marchers as shown by this report, should not be taken to reflect upon the many thousands of honest, law-abiding men who came to Washington with full right of presentation of their views to the Congress. This better element and their leaders acted at all times to restrain crime and violence, but after the adjournment of Congress a large portion of them returned to their homes and gradually these better elements lost control. This report should correct the many misstatements of fact as to this incident with which the country has been flooded."

NOTE: The White House issued the statement on September 10, 1932 for publication on September 12.

The text of the Attorney General's report, dated September 9, 1932, follows:

Sir:

Immediately following the riot by the so-called Bonus Army on July 28th, you directed that an investigation and report thereon be made in this Department.

We have completed it, and I submit herewith a summary of the result. A vast amount of material in the form of reports, affidavits, and documentary evidence has been accumulated. It is only possible here briefly to summarize the conclusions.

1. The entry of the Bonus Army into the District of Columbia.

The first contingent of the Bonus Army arrived about May 27th. On June 3d, information reached the Department that a contingent from Cleveland led by C. B. Cowan and another from Detroit led by John T. Pace, comprising about 1300 men, gathered at the Pennsylvania Railroad yards at Cleveland and had held up a mail train and attempted to commandeer transportation to Washington. Cowan, one of these leaders, has a long police record; he has been convicted and sentenced twice for forgery in Ohio and was sentenced to 13 months for robbing the mails to the United States Penitentiary at Atlanta in 1928. Pace, a well known Communist leader, has an extended police record. By one means and another these groups and others obtained transportation to Washington. By the middle of June they had congregated here in large numbers. They entered into possession of various tracts of government property, on some of which were old buildings. In some instances permission to do so was given by the police authorities with the acquiescence of the Treasury, with the understanding that the occupancy would be temporary and would be discontinued at request and when Congress adjourned. Other government tracts were seized without permission and occupied by members of the Bonus Army. The number of Bonus Army marchers in Washington at the time of the adjournment of Congress on July 16th has been variously estimated at from 8000 to 15,000. Several thousand left shortly after Congress adjourned, but other groups came in, and at the time of the riot the best estimates are that there were from 6000 to 8000 bonus marchers in the city.

2. The quality of the Bonus Army.

To understand the conditions causing the riot it is necessary to know something of the character of the men in the Bonus Army.

(a) Number of marchers who were not ex-service men. A considerable number of the marchers were not in military service during the World War. An approximation of the number is impossible, but two items of reliable information throw some light on this question.

Prior to the riot of July 28th, 341 members of the Bonus Army had been arrested at various dates for a variety of offenses, including disorderly conduct, parading without a permit, assault with a dangerous weapon, destruction of private property, trespass on private property, and soliciting alms. 17 were arrested by the police on July 28th, and 4 on July 29th, making a total of 362. Unfortunately

the police did not fingerprint all of these persons for identification, but 51 of them, including those arrested for disturbing the peace near the White House, were fingerprinted. Of these, 16, or approximately one-third, had no World War service record.

Prior to June 12th, 3656 of the marchers who were arriving at Washington registered on the muster rolls of the Bonus Army, giving their names, Army numbers, and other data respecting their World War service. These muster rolls came into the hands of the police and ultimately to the Veterans' Bureau, which commenced to check the names to ascertain whether the marchers were ex-service men. Learning what use was being made of the muster rolls, after June 12th the marchers discontinued the practice of registering. These first 3656 registered arrivals had been checked by the War Department and the Veterans' Bureau against their records of World War service men, with the result that of the total of 3656, 877, or a little more than one-fourth, could not be identified in either department as having had World War service. It is possible that some of the 877 were ex-service men and could not be identified because of meagre information, but the bulk of them were evidently imposters. It has been reported in the press that Director Hines of the Veterans' Bureau has said that over 90% of the Bonus Army were ex-service men. General Hines made no such statement. He did make the statement on July 23d that he believed not more than 8000 veterans had ever been present at any one time, but the 877 men not identified as veterans were part of the 3,656 registered to which I have referred.

(b) Number of bonus marchers with criminal or police records. Two sources of information are available on this subject. Of the 51 arrested men fingerprinted by the police prior to the riot of July 28th and checked in the fingerprint division of this Department, 17, or an even one-third, had been convicted of various offenses, including larceny, assault, sex offenses, forgery, robbery, military offenses, and disorderly conduct. A more striking result is obtained from the check by the criminal identification bureau of this Department of the fingerprints of 4723 of the bonus marchers who were admittedly veterans and applied for and obtained loans from the Veterans' Bureau, after Congress adjourned, for the ostensible purpose of returning to their homes. Of these 4723, 1069 were found to have police records.

829 or nearly 1 in 5 of the World War service men among the bonus marchers who obtained loans, had been convicted for various offenses, including assault, larceny, burglary, embezzlement, robbery, felonious homicide, forgery and counterfeiting, rape, sex offenses, and narcotic drug violations.

A summary of the police and criminal records of these men follows:

SUMMARY OF POLICE RECORDS OF 4723 EX-SERVICE MEN OF THE BONUS ARMY WHO APPLIED
FOR LOANS FROM THE VETERANS' BUREAU

	Total	Disposition pending or unknown	Charges dismissed	Convictions
Assault.....	46	2	7	37
Auto Theft.....	32	0	6	26
Burglary.....	88	1	21	66
Carrying Concealed Weapons.....	9	1	2	6
Disorderly Conduct and Vagrancy.....	107	3	35	69
Driving While Intoxicated.....	24	0	0	24
Drunkenness.....	98	1	2	95
Embezzlement and Fraud.....	52	1	13	38
Felonious Homicide.....	13	0	6	7
Forgery and Counterfeiting.....	48	0	4	44
Gambling.....	4	0	2	2
Larceny Theft.....	167	2	27	138
Liquor Laws.....	61	3	9	49
Military, Offenses, Desertion, etc.....	84	2	2	80
Miscellaneous.....	41	4	5	32
Narcotic Drug Laws.....	12	0	2	10
Offenses against the Family and Chil- dren.....	18	0	2	16
Rape.....	8	0	2	6
Robbery.....	63	0	17	46
Sex Offenses (except rape).....	27	0	7	20
Suspicion and Investigation.....	63	0	49	14
Traffic and Motor Vehicle Laws.....	4	0	0	4
Totals.....	1069	20	220	829

Total number of bonus marchers (ex-service men) upon whom fingerprints were obtained.....	4723
Number of bonus marchers with police records as found from fingerprints.....	1069
Percentage of these bonus marchers having police records.....	22.6%
Total number of bonus marchers found to have one or more convictions.....	829
Percentage of marchers convicted to number having police records.....	76.9%
Percentage of bonus marchers having convictions to total number whose fingerprints were searched.....	17.4%

Of those individuals convicted, 149 had one prior conviction for some offense, 49 had two prior convictions; 28 had three prior convictions; and 26 had more than three prior convictions. Dispositions of all arrests were not obtainable.

I am submitting also with this report, as Exhibit "A", a detailed alphabetical list of each one of the 1069 men out of the 4723 borrowers who have police records,

giving in detail the time and place of their arrests or convictions. It will be noted that many of them had been repeatedly convicted under various names. When it is realized that the men who applied for loans to go home after Congress adjourned were the most sensible and the least disorderly, that many with criminal records no doubt refrained from disclosing their identity for any purpose, and a considerable portion of the Bonus Army were not ex-service men and included Communists, radicals, and disorderly elements which always congregate under such conditions, it is probable the Bonus Army brought into the City of Washington the largest aggregation of criminals that had ever been assembled in the city at any one time.

(c) Communists. As soon as the bonus march was initiated, and as early as May, 1932, the Communist party undertook an organized campaign to foment the movement, and induced radicals to join the marchers to Washington. As early as the edition of May 31, 1932, the *Daily Worker*, a publication which is the central organ of the Communist party in the United States, urged worker veteran delegations to go to Washington on June 8th. Under date of June 1st, Emanuel Levin, alias Herman Levin, managing editor of the *Daily Worker* with a long police record for Red activities and rioting, arrived in the city. He then contended that the bonus march had been largely planned in the headquarters of the Workers Ex-service Mens League, a Communist organization with headquarters in New York City. Another Communist leader present in Washington was John T. Pace, who led a large contingent of bonus marchers to Washington, and in a demonstration on July 25, 1932, near the White House he was arrested by the Washington police. Pace was elected Field Marshal of the Detroit bonus marchers. James W. Ford, colored, now candidate for Vice President on the national ticket of the Communist party, was one of the bonus marchers arrested on July 29th. Clair Cowan, another Communist leader, led a contingent of bonus marchers from Cleveland consisting of several hundred men. Cowan himself was intercepted and arrested at Pittsburgh on June 8th and did not reach Washington. Another leader of the radical element among the bonus marchers was Walter F. Eicker. He was arrested on July 21st and again on July 25th by the Washington police. Another leader of the demonstration made by bonus marchers on July 25th at the White House was Sylvester G. McKinney, a Communist organizer with a police record for Communist activity.

One of the bonus camps—that within 12th and 14th and B and C Streets, S.W.—was occupied principally by Communists headed by Pace. Possession of this government property had been seized and occupied by these marchers without any authority. During June and July, while the Bonus Army was present, Communist meetings were held in this city frequently. The files of this Department contain voluminous reports of these meetings, at many of which incendiary speeches and plans to stir the Bonus Army to violence and bloodshed were made. During the various disorders, including the final riot, persons identified as radicals and Communists were observed among the disturbers. There is irrefutable proof that a very large body of

Communists and radicals, some ex-service men and some not, were in the city as part of the Bonus Army, circulating among them and working diligently to incite them to disorder.

(d) The investigations we have conducted have demonstrated that a very much larger proportion of the Bonus Army than was realized at the time, consisted of ex-convicts, persons with criminal records, radicals, and non-service men. On the other hand, a very considerable number were genuine ex-service men of good intentions and clean records. This is particularly true of the conditions prior to the adjournment of Congress and before the exodus of those who realized that they had no further justification for remaining in the city. Some of their leaders were decent and law-abiding, and others were not.

3. Further conditions prior to the rioting.

After the adjournment of Congress, the quality of the men in the Bonus Army steadily deteriorated. With Congress gone, no possible excuse existed for remaining in the city. No one here had authority to grant their demands. Many of the better elements left, but small groups of troublemakers augmented the forces. The Army was repeatedly asked to disband and vacate government property, but refused. It circulated around the city individually and in small groups and even in large bodies, asking or demanding money and supplies. Many reports have been received that they practically levied tribute on small merchants, and intimidated housewives when their demands were refused. Some of them boarded runningboards of cars driven by women and were disagreeable and insulting. It was quite impossible for such a body of men to be in the city without violating a variety of laws and ordinances. They were living in partly dismantled buildings which they had seized, and on vacant tracts in shacks constructed of debris. It was impossible that the conditions could continue. The health authorities of the District inspected their camps. We have a report from the Health Officer of the District stating that:

"The sanitary conditions were necessarily very bad. Open latrines were freely used and, of course, flies and vermin infested the camps due to these and to refuse scattered about. In some instances vacant buildings with no toilet facilities, were used for latrines. The fact that it was warm weather increased the dangers incident to such practices, as well, causing, in many instances, foul odors that were extremely objectionable to citizens who lived near.

"In one instance open latrines were found within four hundred feet of the large wholesale and retail market at Fifth and Florida Avenue, N.E. The exceptionally dangerous character of such a condition as this is obvious.

"There was no time during the weeks that the Bonus Army was here when its presence, under the conditions that existed, was not an extreme menace to the public health, as soiled and vermin infested bedding, exposed garbage, open latrines and inadequate facilities for the preparation of food and the disposition of waste inevitably leads to the development and spread of contagious and infectious diseases."

Notwithstanding all these conditions, they were tolerated and gently dealt with by the community in the hope that they would see the futility of remaining and would consent to return to their homes. Before adjournment, Congress had provided for loans by the Veterans' Bureau to those holding bonus certificates to enable them to leave. The Secretary of War conferred with their leaders and urged them to disband, and made a definite offer to furnish them with Army trucks for part of the transportation and to arrange with National Guard units to transport them across the states, and still they declined to leave.

In the latter part of June the Treasury Department commenced to press for possession of some of the property occupied by the bonus marchers and which was urgently needed by the Government to carry on its program of public improvements, one purpose of which was to furnish employment. The bonus marchers were obstructing and delaying this program. I attach herewith, as Exhibit "B", a report from the Assistant Secretary of the Treasury, dated August 3d, giving the particulars respecting this situation.

One of the tracts occupied by the Bonus Army, and at which the riot of July 28th later commenced, is known as Reservations A and B, bounded by 3d and 6th Streets and Pennsylvania and Missouri Avenues. Part of this was vacant and part occupied by partially dismantled buildings. The property was occupied by the Bonus Army. A contract had previously been let for the demolishing of these old buildings, and the contractor was demanding possession. The demolition of the buildings was necessary to the extension of Constitution Avenue and the further development of the Mall area. On May 16, 1932, the Treasury Department has awarded a contract for the completion of the Department of Agriculture Extensible Building, which included, as a part of its site, the tract within 12th and 14th and B and C Streets, S.W. In this area the Bonus Army had, without permission, seized and occupied some buildings and open areas, from which it was necessary to excavate earth to fill and level off Reservations A and B. Subcontracts had been let for the wrecking of the buildings, but the subcontractor could not proceed, and only limited excavation was possible. Request was made by the Treasury through the Superintendent of Police on July 20th that these buildings be evacuated. The Superintendent of Police reported that he had conferred with Commander Waters of the Bonus Army, who objected that he would not move his men into the open, and insisted that he intended to hold together a number of veterans in the District of Columbia to accomplish the object for which they had assembled, notwithstanding the adjournment of Congress.

There are statutes in the District of Columbia authorizing the summary removal by its officers of any person unlawfully or forcibly withholding the possession of government property. On July 23d the Treasury Department served notice on the Bonus Army occupants of these several areas to vacate. On July 25th attorneys for the Bonus Army conferred with the Treasury officials, who granted a 24-hour

extension of its order of vacation to July 26th. On July 26th the attorney, Mr. Herbert S. Ward, and Captain Doak Carter, one of the leaders of the Bonus Army, presented a proposal consisting merely of the statement that the veterans were willing to withdraw from the government areas and retire to some private property which they were permitted to occupy, but that they required tentage and equipment, and demanded the assistance of the Treasury in procuring such equipment, with a view to their permanent encampment in the city. They requested what the Treasury had no power or authority to grant. This proposal was only a repetition of former statements made by Commander Waters, and nothing was accomplished. On July 26th a further letter was written by the Treasury to the Commissioners of the District, stating that the Treasury planned to begin work in the area between 3d and 6th Streets and Pennsylvania and Missouri Avenues on the morning of July 27th, and requested that a sufficient detail of police be on hand to prevent any interference with the contractor or his workmen. On the 27th, the proposed resumption of possession by the Treasury was again postponed to July 28th, and on the morning of Thursday, July 28th, a small portion of the old National Guard Armory on the space referred to, including an area about 25 yards in all directions surrounding it, was occupied by Treasury representatives under police protection. It was at this point that the serious disorder commenced.

4. The riot and the use of troops.

At the time of resuming possession of the small area on Pennsylvania Avenue on July 28th, it was not planned immediately to attempt to regain possession by the Government of any of the other tracts occupied by the Bonus Army. It was hoped that their evacuation could be gradually accomplished. The small number of bonus marchers occupying this building vacated it, forcible resistance having been offered only by two or three. No one was hurt by this movement, and the persons evicted were given ample opportunity to pack and leave. However, while this was taking place, speeches of an incendiary nature were being made at Camp Marks, an open area across the Anacostia River, on which a large bonus camp had been established. About noon, when the situation on Pennsylvania Avenue was well in hand and entirely peaceful, the bonus marchers from Camp Marks started across the Anacostia River to the Pennsylvania Avenue tract in large numbers by trucks and other means. They gathered in the street area near the property, then in the possession of the Treasury Department, which was being guarded by 75 policemen, and their number increased to 2000 or 3000. Suddenly, during the noon hour, the mob that had come from Camp Marks rushed the policemen and attacked them with bricks and rocks. Some of the police were felled with clubs. The police had revolvers, but had orders not to use them and did not do so. This attack finally subsided. Thousands of persons were attracted to the scene. The crowd of bonus marchers assembled at this point increased to numbers estimated at 4000 to 6000. With the bystanders, the crowd increased to an estimated number

of nearly 20,000. The situation became more strained, and many of the Bonus Army were walking about with clubs and bricks in their hands. This continued until the middle of the afternoon, with continuous talk about attacking the police and driving them out. Some lawfully inclined veterans attempted to calm others, but made no impression. Finally the mob of bonus marchers again attacked the police with bricks, lumps of concrete, and iron bars. Two of the bonus marchers were shot by police who had been set upon and were in danger of their lives. The entire mob became hostile and riotous. It was apparent that a pitched battle on a large scale might start at any moment. Practically the entire police force of the city were called from their posts and assembled at this point, but they were outnumbered 10 or 15 to 1. Notwithstanding the large number of irresponsible persons in the city, the rest of the city was stripped of police protection. Many of the policemen had been on duty all night. It was obvious that the situation was entirely out of the control of the police, and that when darkness arrived appalling scenes of disorder would follow, during which the rest of the city would be without substantial police protection, except for a few scout cars.

Meanwhile, as early as 12:30, Lieutenant Keck of the Metropolitan Police and Aide to General Crosby, Commissioner of the District, reported to the Commissioners that in his opinion and in the opinion of the Assistant Superintendent of Police and two police inspectors, the situation was beyond control, and that bloodshed could only be averted by the presence of federal troops. The Commissioners then stated that before calling for military aid they desired the opinion of Major Glassford, the Chief of Police. Major Glassford stated that since Waters, the Commander of the Bonus Army, had lost control of his own men, the police could not control the situation any longer. Major Glassford, accompanied by Lieutenant Keck, went to the office of the District Commissioners at 1:00 P.M. In response to questions by the District Commissioners he stated that the situation was out of his control and that the police could no longer hold the bonus marchers in check. He was asked the direct question whether he thought it was necessary to secure the assistance of Federal troops, to which he replied in the affirmative. The Commissioners then notified the Chief of Staff of the Army that the assistance of troops would be needed and requested that the necessary preparations might be made. Before asking for military assistance, Commissioners Reichelderfer and Crosby themselves then visited the area where the serious situation was apparent. After their return to the District Building it was reported to them that further rioting had broken out and that a bonus marcher had been killed. Then it was decided to dispatch a communication to the President requesting the assistance of federal troops to preserve law and order. A statement from the District Commissioners respecting this matter, dated August 2, 1932, is attached and marked Exhibit "C". From this time until the troops arrived the situation steadily grew

worse. There is no difference of opinion about the fact that the presence of troops was necessary to and did prevent further disorder and bloodshed. In their absence, further rioting would have occurred with further bloodshed among bonus marchers and police, and possibly innocent bystanders.

The troops arrived and, with the use of practically no weapons except tear gas, restored order and cleared the area and put an end to the disturbance.

5. Casualties.

Two bonus marchers were killed in the disturbance. They were shot by police in self defense, not by troops. A full investigation by a coroner's jury established that the police shot in necessary self defense to save themselves from threatened fatal injury. After the troops arrived, no serious injuries to anyone followed. A few of the troops were stoned and slightly injured, and one bonus marcher had his ear cut, but no other casualties were suffered after the troops came. Stories published in some quarters that the troops shot or seriously injured bonus marchers are utterly without foundation. The published reports that an infant child of a bonus marcher named Myers died as a result of tear gas are false. The records at the Gallinger Hospital show that the child died of intestinal trouble contracted and diagnosed before the riot.

6. Fires.

After the troops arrived, fire broke out among the old shacks occupied by bonus marchers on the Pennsylvania Avenue tract where the rioting occurred, and later at the big camp known as Camp Marks on the Anacostia River, from which the bulk of the rioters had come to attack the police. The cause of the outbreak of the fire in the Pennsylvania Avenue area is not known. The troops had no orders to set any fires. There was inflammable debris around, and the cause of the origin of the fire in the Pennsylvania Avenue area is variously given as having been set by cigarettes or hot tear gas bombs. The evacuation of the large camp known as Camp Marks occurred later. At 7:00 o'clock in the evening the bonus marchers at that camp were notified that they would have to evacuate and that the troops would arrive. Sometime later the troops arrived at Camp Marks and were asked by the bonus marchers to delay an hour more to give the marchers time to evacuate comfortably. This request was granted. Many of the bonus marchers had already left, but the troops waited until the remainder packed up and marched out. While the troops were waiting, fires set by the retiring bonus marchers broke out in a number of localities among the shacks and debris in the camp, and the conflagration became general. Such action as the troops took at either of these places with respect to fire was later to complete the work of the retiring bonus marchers by burning up the remainder of the debris. Photographs of soldiers setting fire to debris were evidently taken at this stage of the proceedings. The bonus marchers at these two sites, having evacuated their camps, then proceeded to leave the city. Camp Bartlett, on private

property, was not disturbed by the troops, but was later evacuated by the bonus marchers.

7. Women and children.

The principal group of women and children in the Bonus Army was located in the Communist camp at 12th and 13th Streets, S.W., which was not disturbed by the troops but was voluntarily evacuated by the marchers. The Red Cross promptly offered and furnished assistance and transportation to all women and children in the Bonus Army and to their men-folks, and actually did furnish transportation to 221 women and 247 children. There is no evidence whatever that any women or children were injured or ill-treated. The Veterans' Bureau, under authority of Congress, issued transportation to 4344 veterans by railroad and 939 by automobile. Transportation by truck to their homes had been offered by the Secretary of War to all remaining bonus marchers, but was not furnished because the offer was refused.

8. Grand Jury.

Indictments have been returned by the Grand Jury of the District of Columbia against a number of the alleged rioters. The results of this effort to bring to justice the principals who incited this riot have been unsatisfactory. The reason is that on the day of the riot no detective officers were at Camp Marks, where originated the large movement to march over and attack the police. The function of having detectives and crime prevention agents in a position to observe and obtain evidence against those who at the last moment incited the riotous march and attack, belonged to the District police. The inspector in charge of that branch of the police service reports that he had no orders to place men for that purpose, and, on the contrary, on the day of the disturbance was directed to keep his men out of the area. Consequently, in the confusion and absence of this detective service, it has been impossible to identify and bring to justice some of the principal inciters of the disorder. It is always the case under such conditions, that the radicals and disorderly elements who incite such action do so warily and sometimes fade from the scene when the trouble commences.

9. Conclusion.

This experience demonstrates that it is intolerable that organized bodies of men having a grievance or demand upon the Government should be allowed to encamp in the city and attempt to live off the community like soldiers billeted in an enemy country. Attempts by such groups to intimidate or coerce Congress into granting their demands hurt rather than help their cause, and can only end as this one did, in riot and disorder. The available facts demonstrate that the bonus marchers who remained in the city after Congress adjourned represented no fair cross-section of ex-service men. Prior to the adjournment of Congress, law-abiding ex-service men dominated this gathering and preserved order. Afterwards, the proportion of disorderly and criminal elements among these men steadily increased. Such of their

leaders as were well-intentioned lost control over them entirely. It is appalling to think of the disorder and bloodshed that would have occurred if darkness had fallen on the city with the police hopelessly overwhelmed at the scene of the disturbance, and the balance of the community without police protection. The prompt use of the military to outnumber and overawe the disturbers prevented a calamity. The principal reason why the Federal Government was given exclusive jurisdiction over the Capital City was to enable it to preserve order at the seat of government and to protect the Congress and other public officials from unlawful interference while in the discharge of their duties. The right peaceably to petition Congress for redress of alleged grievances does not include assemblage of disorderly thousands at the seat of the government for purposes of coercion.

Respectfully submitted,
WILLIAM D. MITCHELL
Attorney General

[The President, The White House]

286

Message on the Launching of Two Freighters
of the Seatrain Line.
September 11, 1932

[Released September 11, 1932. Dated September 1, 1932]

My dear Mr. Brush:

I congratulate you and your associates most cordially upon the double launching during this month of the two new freighters of your lines at Chester, Pennsylvania. In their speed and the novelty of their design they indicate again how resourcefulness and ingenuity of American designers and operators may facilitate the development of our invaluable ocean borne commerce.

Yours faithfully,
HERBERT HOOVER

[Mr. Graham M. Brush, President, Seatrain Lines, Inc., 39 Broadway, New York City]

NOTE: The President's message was made public in conjunction with an announcement that the *Seatrain New York*, the first of the two freighters, would be launched

at Chester, Pa., on September 14, 1932. The sister ship, *Seatrain Havana*, was scheduled to be launched on September 24.

287

Memorandum to Federal Departments and Agencies
on Reduction of Federal Expenditures.
September 11, 1932

[Released September 11, 1932. Dated September 10, 1932]

THE BUDGETS of the different departments and independent agencies for the year beginning July 1, 1933, are now under discussion with the Bureau of the Budget.

A study of the preliminary estimates shows that all parts of the Government are making great effort toward economies. I desire, however, that the responsible heads shall give renewed study looking to the elimination of every expenditure not absolutely essential to these times.

I have asked the Director of the Budget to make every effort to secure a reduction of at least \$500,000,000 in the estimates of appropriations for the next year below the appropriations made for the current year, and the cooperation of the responsible administrative officers is necessary to achieve this end. A part of this can be accomplished in reduction of construction activities which have been so greatly speeded up during the past few years as an aid to employment. I believe we can reasonably predicate our budget in the confidence that such expenditures will be less necessary for employment purposes after June of next year. Moreover, these works by virtue of the enormous outlay since 1930 as a means of employment will be in many particulars in advance of the country's immediate need. Other activities can well be further curtailed during the period of recovery. Obviously nothing will more contribute to that recovery than a relief from taxation.

While the executives can budget various activities upon the lowest possible basis, still a large part of the Government activities are fixed by law and they must be budgeted for expenditure. In some of these cases the whole or part of the activities can only with the approval of Congress

be suspended. I desire that such possibilities be fully developed with the Director of the Budget with view to preparing a detailed recommendation to the Congress for authority to take such action. You will recollect that during the last session of the Congress the Departments proposed to various economy committees of the Congress reductions in expenditures of this type, which failed of authorization. Such amounts would be in addition to the \$500,000,000 mentioned above and they should now be again exhaustively considered.

Yours faithfully,
HERBERT HOOVER

288

Message on the 50th Anniversary of the First Commercial
Electric Lighting and Generating Station.
September 12, 1932

[Released September 12, 1932. Dated September 1, 1932]

My dear Mr. Cortelyou:

I will be greatly obliged if you will be so kind as to present my cordial greetings to those in attendance at the dinner on September 12th celebrating the fiftieth anniversary of Edison service and the first commercial operation of the Pearl Street electric generating station for incandescent lighting, the conception, design and construction of which by the late Thomas Alva Edison was such an historic event in the development of electric lighting. The advance in fifty years from that modest beginning is nightly reflected in the splendid illumination of our cities and homes, which we accept by habit without thought of the enormous labors in technical research, business organization and manual skill which have gone into their production.

Yours faithfully,
HERBERT HOOVER

[Mr. George B. Cortelyou, President, Consolidated Gas Company of New York,
4 Irving Place, New York City]

NOTE: The message was read at a dinner held in the Waldorf-Astoria Hotel in New York City.

289

The President's News Conference of
September 13, 1932

REORGANIZATION OF THE EXECUTIVE BRANCH

THE PRESIDENT. I have been negotiating for some days with various officers of the Government in the matter of reorganization of the executive departments.

You will recollect that on my recommendation the Congress at its last session gave to the President authority to reorganize the executive branches, consolidate and eliminate bureaus and commissions, in order to bring about an enlarged program of economies. Under the provisions of the law the President is to issue Executive orders covering these changes. Those orders are to lie before the Congress for 60 days of actual session, and if they are not disapproved they become then effective.

Furthermore, the original law creating the Budget Bureau provides that that Bureau, on the direction of the President, shall make determinations of this character. So that I have directed the Director of the Budget to set up the necessary staff to make necessary detailed investigations and to prepare the Executive orders relating to every change in the Government that will make present economy and greater efficiency.

These orders covering the entire structure of the Federal Government will be presented to Congress immediately it convenes in December. So that at that moment we will have for the first time in some 30 years of agitation a complete plan of effective reorganization of the whole structure of the Federal Government.

It may interest you to look up the terms of the economy bill stating the basis of reorganization, and of course many of the lines of reorganization are well known, having been advocated for years.

Otherwise than that I have nothing this morning.

NOTE: President Hoover's two hundred and fifty-ninth news conference was held in the White House at 12 noon on Tuesday, September 13, 1932.

On the same day, the White House issued a text of the President's statement on the reorganization of the executive branch (see Item 290).

290

Statement on Reorganization of the Executive Branch.
September 13, 1932

THE PRESIDENT said:

"Upon my recommendation the Congress at its last session gave to the President authority to reorganize the executive branches of the Government by regrouping, consolidating, and reducing the number of bureaus and commissions, eliminating overlap and duplication of effort in order to bring about large economies. Under the provisions of the law, the President is to issue Executive orders covering such changes and these orders are to be transmitted to Congress, to become effective after 60 calendar days should Congress not disapprove of them.

"The law creating the Bureau of the Budget provides that that Bureau, on direction of the President, shall make detailed studies for purposes of determining changes in the executive organization.

"I have today directed that the Director of the Budget shall set up the staff to make the necessary detailed investigations and prepare Executive orders for reorganization of the whole structure of the Federal Government. These orders covering the entire executive establishments will be completed and presented to the Congress immediately on its convening in December."

NOTE: The President was authorized to act under Public, No. 212 (47 Stat. 399), approved June 30, 1932.

291

Telegram to the Chairman of the Republican National
Committee on Election Results in Maine.

September 13, 1932

THE RESULT of the election in Maine imposes need for renewed and stronger effort that the people may fully understand the issues at stake. We have known all along that, owing to the ravages of the world depression, our fight is a hard one; but we have a strong case and a right cause. Our task is to acquaint every man and woman in the country with the facts and issues which confront the nation.

In periods of emergency and stress, steadfast adherence to sound principles of government is indispensable to national security and a prerequisite to recovery in business, agriculture and employment. Adherence to these principles has saved the country during the last twelve months from all manner of destructive panaceas. This adherence and the measures and policies we have adopted have preserved these principles and laid the foundation for recovery.

My chief concern now is that the work of reconstruction shall go forward steadily and that the forces we have mobilized to that end, and which are beginning to prove effective, shall continue. This transcends all personal and partisan considerations.

HERBERT HOOVER

[Hon. Everett Sanders, Chairman, Republican National Committee, Palmer House, Chicago, Ill.]

NOTE: The telegram was in response to a message from Mr. Sanders, also dated September 13, which follows:

The President:

The narrow margin of democratic success in the Maine gubernatorial contest is plainly insufficient to assure that state to the democratic presidential candidate eight weeks hence, and I firmly expect you to carry that state. I was of course disappointed in the vote but not greatly disturbed. Since eighteen eighty Maine has five times in presidential years elected a governor, state ticket and congressional delegation in September of opposite political faith to the president elected sixty days later. After the defeat of the republican candidate for governor in Maine in

[292] Sept. 14 *Public Papers of the Presidents*

September eighteen eighty the country rallied to the importance of national issues and returned President Garfield triumphantly in November, the state of Maine reversing its September position. I have every confidence that history will repeat itself in November in Maine and that throughout the country the verdict of the people on National issues will be overwhelming in your favor.

EVERETT SANDERS

292

Message to the National Tax Association Convention.
September 14, 1932

[Released September 14, 1932. Dated September 13, 1932]

I WILL BE OBLIGED if you will express my cordial greetings to the Twenty-fifth Annual Convention on Taxation and my warm appreciation of their splendid record of accomplishments in promoting the scientific study of problems in the fields of public finance and taxation, and in bringing about reforms in our tax systems, tax administration, and a better coordination of tax policies. Along with the necessity for drastic tax reduction the most pressing fiscal problem of the day is to adjust the State and local tax systems to modern conditions, so as to relieve the burden on real property which now presses so inequitably upon the farmer and the small home owner. Your Conference can render a great service in this field.

HERBERT HOOVER

[Robert Murray Haig, Deshler-Wallick Hotel, Columbus, Ohio]

NOTE: The message was read at the convention, meeting in Columbus, Ohio.

293

Statement on the Veterans' Bonus.
September 14, 1932

THE PRESIDENT said:

"It is due to the country and to the veterans that there should be no misunderstanding of my position upon payment of the face value of

426

the adjusted service certificates prior to maturity, as recommended in the resolution pending before the convention at Portland. I have consistently opposed it. In public interest I must continue to oppose it.

"I have the duty not alone to see that justice and a sympathetic attitude is taken by this Nation toward the 4 million veterans and their families, but also to exert myself for justice to the other 21 million families to whom consummation of this proposal at this time would be a calamity. Cash payment of face value of certificates today would require an appropriation from the Treasury of about \$2,300 million. No matter how or in what form the payment to the veterans is imposed it will come out of all these families but of more importance it will indefinitely set back any hope of recovery for employment, agriculture, or business and will impose infinite distress upon the whole country. We owe justice and generosity to the men who have served under our flag. Our people have tried to discharge that obligation. Regular expenditures on account of the veterans already constitute nearly a billion a year or almost one-fourth of our whole Federal budget.

"Every right-thinking man has the deepest sympathy for the veteran suffering from disability, for those out of work, or for veterans on farms struggling with the adversities of the depression. No one, who began life in the humble circumstances that I did and who at the earliest and most impressionable age learned the meaning of poverty from actual experience, can be lacking in feeling and understanding of the problems and sufferings of these men and their families. I have seen war at first hand. I know the courage, the sacrifice of our soldiers.

"But there are many million others in the same circumstances. They too must be entitled to consideration. Their employment and their farm recovery, as well as that of the veterans, can be secured only by the restoration of the normal economic life of the Nation. To that end we have been and are devoting our best efforts. Anything that stands in the way must be opposed. The welfare of the Nation as a whole must take precedence over the demands of any particular group.

"I do not believe that the veterans generally really understand the Adjusted Service Certificate Law (so-called bonus law) which was proposed by themselves. In its simplest terms that law provides that an

annual sum of about \$112 million is to be paid into a fund which, with compound interest, is calculated to amount to a total of \$3,500 million, the face value of certificates to be distributed in 1945. Approximately \$1,300 million has been paid into this fund. Under the law of last year authorizing loans up to 50 percent of the face amount of the certificates, if we take into consideration loans made through the veterans' life insurance fund which will have to be repaid, all this accumulated sum and more has already been distributed. If the Government distributed to the veterans the \$112 million annually from now on, it would represent the Government's obligation. If these sums be kept in the fund the Government adds compound interest on each installment and gives a life insurance right. By paying the adjusted service certificates at their 1945 face value now the Government would not only be paying all remaining 13 annual installments in advance but would be paying the compound interest upon them in advance.

"This would, I am advised, add about \$2,250 million to the amount which the people of the United States, acting through Congress, undertook to pay when they gave the certificates.

"No such sum is available. It cannot be raised by adding to the crushing burden of taxes which drain every family budget in our country today and weigh heavily on business struggling in the midst of depression. It cannot be borrowed without impairment of the credit of the National Government and thus destroy that confidence upon which our whole system depends. It is unthinkable that the Government of the United States should resort to the printing press and the issuance of fiat currency as provided in the bill which passed the House at the last session of Congress under the leadership of the Democratic Vice-Presidential candidate. Such an act of moral bankruptcy would depreciate and might ultimately destroy the value of every dollar in the United States. It would cause the collapse of all confidence in our Government and would bring widespread ruin to the entire country and to every one of our citizens. Daniel Webster 100 years ago stated: 'He who tampers with the currency robs labor of its bread. He panders, indeed, to greedy capital, which is keen-sighted, and may shift for itself; but he beggars labor, which is honest, unsuspecting, and too busy with

the present to calculate for the future. The prosperity of the working classes lives, moves, and has its being in established credit, and a steady medium of payment.' And the experience of every government in the world since that day has confirmed Webster's statement.

"Let us not forget that while we have lost much in this depression, we still have much more to lose. And our whole future may be said to depend upon early recovery.

"For many months the right-thinking men of both parties have been engaged in organizing and mobilizing the resources of the Nation to promote the economic recovery which is the one sure and effective means of restoring the standard of living of all of our people and rescuing millions of them from suffering and misery. The proposal to levy over \$2 billion and to pay it to a particular group constitutes a fatal threat to the entire program of recovery, to the success of which all must look for their well-being, security, and happiness. In my judgment the enactment of any such proposal into legislation would be a deadly blow at the welfare of the Nation. I was elected to protect and promote the interests of all of the people. As long as I am President I shall continue to do so and to oppose with all of the strength and influence at my command any demand that runs counter to the common welfare."

NOTE: The White House issued the statement on September 14, 1932, for publication on September 15.

On September 14, at the American Legion convention in Portland, Oreg., the legislative committee approved a resolution for the immediate payment of the veterans' bonus. The resolution was passed at the closing session on September 15.

294

Address to the Welfare and Relief Mobilization Conference.
September 15, 1932

FOR THE THIRD time representatives of the great voluntary relief agencies of this country are here assembled to consider with earnestness and sympathy what measures may be undertaken for the relief of those in distress among our people.

To that great work, 2 years ago, Colonel Arthur Woods gave devoted effort. When Colonel Woods was reluctantly obliged to return to other commitments, Mr. Walter Gifford assumed command for the winter of 1932. Unable because of other great responsibilities to continue the work this year, Mr. Gifford leaves the chairmanship to another man of leadership and proved ability, Mr. Newton Baker.

You are here again to discuss ways and means, to estimate resources and needs. Our tasks are definite.

The first is to see that no man, woman, or child shall go hungry or unsheltered through the approaching winter.

The second is to see that our great benevolent agencies for character building, for hospitalization, for care of children and all their vast number of agencies of voluntary solicitude for the less fortunate are maintained in full strength.

The third is to maintain the bedrock principle of our liberties by the full mobilization of individual and local resources and responsibilities.

The fourth is that we may maintain the spiritual impulses in our people for generous giving and generous service—in the spirit that each is his brother's keeper. Personal feeling and personal responsibility of men to their neighbors is the soul of genuine good will; it is the essential foundation of modern society. A cold and distant charity which puts out its sympathy only through the tax collector yields a very meagre dole of unloving and perfunctory relief.

With each succeeding winter in this period of great distress our problem has become larger and more difficult. Yet the American people have responded to meet it.

The extent of that response has been obscured by the breadth and depth of the suffering which it has sought to relieve. The sensation produced upon every observer of our present national scene, and particularly upon every active participant in efforts to mitigate its evils, has been primarily one of profound personal distress in association with the distress of the country. The time has gone by when a depression could be regarded only as a depression of business. It must be regarded now as something deeper, involving a social responsibility not merely for measures helpful to the restoration of business, for fundamentally

they are actions on behalf of those whom business has ceased to be able to employ. They are not the authors of the misery which is upon the land. They are its victims. In the meantime the suffering about us is so intense and the demands upon our sympathy are so penetrating that often, in so dark a picture, we can see no ray of light and no trace of alleviating accomplishment.

Yet accomplishment there has been, accomplishment in the highest degree creditable to the generosity and effectiveness of the American people.

That the American people have made a broad and courageous attack upon the consequences of our present unparalleled calamity is amply suggested by the state of public health in the Nation. I recognize that there are exceptions both local and individual to any general statement; yet no one can deny the scientific determination of our public health officials throughout the land. Their reports to the Surgeon General of the United States represent the final word upon the efficient and devoted sense of responsibility of our people in this obligation to our fellow citizens. Overwhelmingly they confirm the fact that general mortality rate, infant mortality rate, epidemics, the disease rate, are less than in normal times. There is but one explanation; that is, that through an aroused sense of public responsibility, those in destitution and their children are receiving actually more regular and more adequate care than even in normal times.

With the possibility of still larger tasks and lessened individual local resources for the next winter, before the close of the last Congress I secured to the Red Cross 85 million bushels of wheat, 500,000 bales of cotton and an authorization to the Reconstruction Finance Corporation to advance \$300 million to such States as could not finance themselves to care for distress.

Nor are we seeking relief only by direct provision for distress which is your problem. In the Federal Government we are providing employment during this year through the speeding up of necessary Federal construction work to a huge total of over \$750 million. In addition, we have provided for loans of \$1,500 million for construction of public enterprises of self-sustaining character. Wherever possible we are concentrat-

ing that effort for the winter months. In addition, our employers and our labor groups have been organized anew in a systematic nationwide campaign to further spread the available work and to shorten working hours. Further, the economic effect of the great institutions built and strengthened by the Government and the effort of the people themselves in many directions have shown evidences of success by the test of increasing private employment and rise in prices.

With these backlogs behind your efforts and those of local authorities, we must make sure that no American will this winter go hungry or cold. These programs of the Government are based upon the continuation of your services. They presuppose adequate neighborhood support to your efforts which still comprise a large part of our reliance. The presuppose that the thousands of agencies which in normal times carry the load of distress shall function this winter to their utmost capacity. Let no man believe, because we have summoned the power of Government to these ends, that it can replace your efforts.

This is, I trust, the last winter of this great calamity. Yet despite a dawning hope upon the horizon, individual need in the meantime may be greater than before. Despite these gigantic efforts of direct and indirect relief, we must not fail to recognize the slow seepage of the resources of many families and the consequently increased responsibility which falls upon the more fortunate. Moreover there is parallel with it all the depleted resources of those to whom you must appeal for aid. Those who support you this year will, many of them, be sacrificing from their own needs. No greater call can be made upon American patriotism and self-sacrifice.

Your organizations have, therefore, a most difficult task. I am confident that you will succeed. Our people are the most generous of all peoples. Most of us started in life poor or with little. What we have is the result of our own toil in this land rich in resources and opportunity. Most of us have known the helping hand of others in some human service and some human kindness and today as never before do we owe repayment of that debt. I sometimes think of relief in terms of insurance. Over the years our people contribute to the aid of others. The unexpected

time comes of their own need, and they draw from this common pool. There lies in this no loss of self-respect.

So long as the world stands, there will be human misfortune and human suffering from causes men cannot control. There will be nationwide calamities the result of which may be that any one of us may be the giver and any one the receiver. Yours are the great agencies which seek the one and serve the other.

On such occasions as these there is more to be done than merely giving. There is the helping hand that should go with giving. The friendly counsel, the aid to solution of family and individual problems, our outpourings of the human spirit beyond dollars alone. Many a family today is carrying a neighbor family over the trough of this depression not alone with material aid but with that encouragement which maintains courage and faith.

If all who are able will themselves search out or through your agency find a family to whom they may become that guardian, both will be the gainers of far more than the money exchanged.

The need before us is immediate. It is large. Millions of men and women face the approach of winter with fear in their hearts. The children sense the dread their elders feel. You have nobly offered your service to them and to the Nation. I speak not more to you than to the unseen millions of my fellow countrymen and countrywomen, in personal appeal that they too shall take this neighborly need upon their conscience, that they shall share with you this burden, that they give generously of their means to your support. So out of Charity will come not only Hope but Faith.

NOTE: The President spoke at 10 a.m. to the opening meeting of the conference assembled on the White House lawn. Attending were 200 businessmen and welfare workers, representing 29 national relief and welfare agencies, acting as a planning committee for a national campaign to raise relief funds and stimulate charitable activities.

In his address, the President referred to Arthur Woods, Chairman of the President's Emergency Committee for Employment (PECE); Walter S. Gifford, Director of the President's Organization on Unemployment Relief (POUR); and Newton D. Baker, head of the National Citizens Committee for Welfare and Relief Mobilization.

295

Letter to the Central Executive Committee
of the Federal Reserve District Banking and
Industrial Committees on Agricultural Loans.
September 15, 1932

[Released September 15, 1932. Dated September 13, 1932]

Gentlemen:

As you are aware the Reconstruction Finance Corporation is earnestly engaged in the erection of a series of credit institutions for the purpose of serving livestock and feeder loans and for other agricultural purposes. The Corporation has found many difficulties in securing personnel and in overcoming legal questions which arise under the Act, and although they are working unremittingly for the earliest possible erection of these institutions, it does not appear that they will all be functioning for two or three weeks. In the meantime, the season for shipment of livestock for feeder purposes, etc. is upon us.

I am wondering if it would be possible for you to interest the Federal Reserve Banking and Industrial Committees in the areas of the country where this credit is required, that they should secure maximum activity of all the banks to take care of these demands, at least pending completion of the Reconstruction Corporations' organization. I know of nothing that would more quickly promote agricultural interest than a regular flow of livestock into feed lots.

Yours faithfully,
HERBERT HOOVER

[To the Executive Committee, Federal Reserve Banking and Industrial Committees, Washington, D.C.]

NOTE: Everett Case, executive secretary of the Central Executive Committee of the Federal Reserve Banking and Industrial Committees, sent the above message to the chairmen of the Banking and Industrial Committees in the Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco districts.

296

Message to the American Trade Association Executives.
September 15, 1932

[Released September 15, 1932. Dated September 13, 1932]

My dear Mr. Hays:

I will be obliged if you will express my cordial greetings to the American Trade Association Executives. Their organized attack upon such problems as the spreading of employment, reduction of selling costs, modernization of plant equipment, active search for new products and new markets, adoption of more liberal credit policies, and a score of other forward looking measures, offers a constructive opportunity for the leaders and spokesmen of organized business to secure further advances in the struggle for economic recovery.

Yours faithfully,

HERBERT HOOVER

[Mr. Warner S. Hays, President, American Trade Association Executives, Ambassador Hotel, Atlantic City, N.J.]

NOTE: The message was read at the annual convention which met in Atlantic City, N.J.

297

Message to President Ricardo Jiménez
on Costa Rica's Independence Day.
September 15, 1932

THE PEOPLE of the United States join me in extending hearty congratulations to Your Excellency and your fellow countrymen on this anniversary of Costa Rican independence.

HERBERT HOOVER

[His Excellency Ricardo Jiménez, The President of Costa Rica, San Jose, Costa Rica]

298

Message to President José María Moncada
on Nicaragua's Independence Day.

September 15, 1932

ON THIS Independence Day, please accept my cordial felicitations and those of the people of the United States.

HERBERT HOOVER

[His Excellency José María Moncada, The President of Nicaragua, Managua, Nicaragua]

299

Message to President Vicente Mejía Colindres
on Honduras' Independence Day.

September 15, 1932

ON THIS memorable fifteenth of September, I offer to Your Excellency my sincere congratulations and extend my best wishes for the happiness and prosperity of your fellow countrymen.

HERBERT HOOVER

[His Excellency Vicente Mejía Colindres, The President of Honduras, Tegucigalpa, Honduras]

300

Message to President Jorge Ubico
on Guatemala's Independence Day.

September 15, 1932

THE GOVERNMENT and people of the United States unite in most cordial greetings on this anniversary of the foundation of the Republic of Guatemala.

HERBERT HOOVER

[His Excellency Jorge Ubico, The President of Guatemala, Guatemala City, Guatemala]

436

301

Message to the Daughters of the American Revolution.
September 16, 1932

[Released September 16, 1932. Dated September 15, 1932]

My dear Mrs. Magna:

I will be glad if you will make public in the way you deem most fitting and serviceable my profound appreciation of the patriotic service of the Daughters of the American Revolution in rescuing from oblivion the names of the heroic Frenchmen who at Yorktown so gallantly aided our forefathers in sealing the success of the cause of American independence. The Pilgrimage to Paris for the purpose of dedicating a bronze tablet bearing these names, upon the 151st anniversary of the Battle of Yorktown, is a splendid gesture of appreciation, certain to promote an historic international friendship and coming with especial appropriateness from your great group of patriotic American women.

Yours faithfully,

HERBERT HOOVER

[Mrs. Russell William Magna, President General, National Society, Daughters of the American Revolution, Memorial Continental Hall, Washington, D.C.]

NOTE: The message was made public in conjunction with publicity about the group's planned pilgrimage to Paris.

302

Message on the Dedication of Memorials
to Three Prominent Ohio Republicans.
September 17, 1932

[Released September 17, 1932. Dated August 13, 1932]

My dear Mr. Lampson:

I am deeply interested to learn of your praiseworthy efforts to erect suitable memorials at Jefferson, Ohio, to Joshua Reed Giddings and

B. F. Wade, who played so large a part in the founding of the Republican Party, and to my dear friend, the late Senator Theodore E. Burton, whose life was a noble pattern of the high-minded public servant. I wish you support and success.

Yours faithfully,

HERBERT HOOVER

[Mr. E. C. Lampson, Editor, The Jefferson Gazette, Jefferson, Ohio]

NOTE: The message was read at ceremonies, sponsored by the Republican Party, in Jefferson, Ohio, which featured the dedication of 10 bronze tablets commemorating events connected with the party's history.

303

Message on Rosh Hashanah.

September 18, 1932

[Released September 18, 1932. Dated July 28, 1932]

THE APPROACH of Rosh Hashanah serves to remind Americans of all creeds of the great debt that is owed by all our people to the Jewish race for their unparalleled contribution to the spiritual life of mankind, since to them more than to any other race we owe the exalted and pure conception of God and of the highest ethical principles to be practiced in His service. I speak the good will of the Nation in extending to the Jewish community of America my heartiest good wishes for happiness in this annual season of renewal.

HERBERT HOOVER

304

Statement on German Participation
in the General Disarmament Conference.

September 20, 1932

THE PRESIDENT said:

"With reference to press dispatches from Paris on the German arms question, the position of this Government is clear. The sole question in

which this country is interested is in reducing armaments of the whole world, step by step. We are not a party to the Versailles Treaty and its limitation on German arms. That is solely a European question. The United States has already declared that it takes no part in that discussion. We are anxious that Germany shall continue to participate in the Arms Conference which has now such promise of progress for the entire world, and that she shall lend her aid in this great purpose."

NOTE: On August 31, 1932, Germany announced its intention to withdraw from the General Disarmament Conference unless its demands for arms equality were met. Germany did not participate in the meetings of the Conference Bureau that began on September 21. A declaration recognizing Germany's right to arms equality was agreed to on December 11. Germany resumed participation in the Conference in January 1933.

305

Message to Governor Gifford Pinchot of Pennsylvania
on the Reconstruction Finance Corporation.

September 20, 1932

YOUR TELEGRAM has been received. I feel that if you will study the law creating the Reconstruction Finance Corporation you will realize that it was set up as an independent agency by the Congress with specific directions in the law for its conduct by its Board of Directors, giving to them sole authority in determination of loans. I have no authority or right therefore to direct the Board to make specific loans or advances you request.

The Board is a non-partisan body of eminent, patriotic and sympathetic men. They are engaged in unceasing investigation of every application. They are giving earnest and full consideration to information supplied to them and endeavoring to extend every aid to distress and proved need within their authority. I am sure you will find they will act fully in this spirit.

HERBERT HOOVER

[Hon. Gifford Pinchot, Governor of Pennsylvania, Harrisburg, Pennsylvania]

NOTE: The President's message was in response to a telegram from Governor Pinchot, also dated September 20, which follows:

After two months of constant effort to get help for Pennsylvania's one million two hundred fifty thousand totally unemployed and their wives and children the Reconstruction Finance Corporation still persists in its cruel needless and unexplained refusal to advance what Pennsylvania has every right to ask and to get. The Reconstruction Finance Corporation shows either complete inability or complete unwillingness to realize the situation in Pennsylvania and the pitiful need for help. Tens of thousands of families are living on two dollars a week or less and the need for relief grows greater day by day. The test which the Reconstruction Finance Corporation is attempting to enforce is not whether Pennsylvania needs help which is beyond all dispute nor whether the commonwealth has done its full share which is equally beyond dispute but whether certain statistics can be furnished because records have been kept in certain ways. Last Friday Pennsylvania complied in full with the latest demand of the Reconstruction Finance Corporation for useless statistics. If Washington does not act before September 22nd, may I have an appointment with you on Friday next to end this senseless embargo on feeding the starving in this state.

GIFFORD PINCHOT

[The President, The White House]

306

Message to a Banquet Honoring Joe Weber and Lew Fields.
September 25, 1932

[Released September 25, 1932. Dated September 21, 1932]

My dear Mr. Rubinstein:

I deeply appreciate the kind invitation to lay aside the cares of office and the campaign to join for an evening in the deserved tribute to be paid to two of the worthiest and best loved figures of the American stage, the inimitable Weber and Fields. I do, indeed, believe that such an evening would be as beneficial to me as would the invention of a resoundingly good new joke to the whole country. I cannot be present at the Golden Jubilee banquet, but I will be obliged if you will express

my hearty congratulations to the honored guests, and my wishes for an evening of joyous laughter and good-fellowship to their hosts.

Yours faithfully,

HERBERT HOOVER

[Mr. Leon J. Rubinstein, Weber & Fields Golden Jubilee Celebration, Hotel Astor, New York City]

NOTE: The message was read at a banquet held at the Hotel Astor in New York City.

307

Remarks Upon Laying the Cornerstone
of the New Post Office Department Building.
September 26, 1932

IT IS A GREAT pleasure to participate in this ceremony. This building is a part of a great national construction program which we have undertaken for the dual purpose of more economical housing of Federal activities and of providing employment for the country. It is a part of the sound policy of speeding the growth of Government facilities in times of depression.

In September 1793, President Washington laid the cornerstone of the Capitol. We meet today in the course of a nationwide commemoration of the 200th anniversary of Washington's birth to set, with the same trowel which he used 139 years ago, the cornerstone of a new building for the administration of the postal service, which had its origin during Washington's administration.

As you know, Washington was responsible for the original plan of this city. It was a plan which permitted its orderly and beautiful expansion. This building is set into that plan and is well fitted to further beautify the city.

This ceremony today has an especial significance to the people of the city of New York, for it was there that the Government of the United States began its functions under the Constitution, and there was

first organized the General Post Office, as it was then called. I extend greetings to those who are assembled in that city today to celebrate these beginnings of our Government and to do honor to Washington's memory.

In those beginning days the country was sparsely settled; travel was difficult; post offices were widely separated, and the postal service was primitive, slow, and costly. But it was the sole means of communication among the States, and the new Government acted vigorously to increase its efficiency. By the time of the removal of the Government to the District of Columbia in the year 1800, the United States Post Office was firmly established.

Postal facilities were looked upon by our early statesmen not merely as an end in themselves, but as a powerful instrumentality for national unity and national growth. In the first years of the Republic, the mails followed the pioneers into our inland territory, and as the great tide of migration set toward the West, it was the rapidly multiplying post routes and the dependable communication which they afforded with the eastern seaboard that made possible the eventual extension of our frontiers to the Pacific.

Since those early days, the postal service has been a factor second to no other in the upbuilding and development of modern America. It has constantly enlarged and broadened its facilities and has steadily grown in usefulness. Today it threads through the daily social and business life of all our people, and extends its benefits to every city, hamlet, and fireside in the land. It furnishes quick communication for business and industry, transports the products of the farm to the city dweller, brings the goods of the manufacturer and the merchant to the farmer's gate, delivers newspapers, magazines, and books into the remotest homes, provides a safe means for transmitting money and valuables, carries messages of gladness and of sorrow between families and friends, and makes neighbors of our most widely separated communities.

The Post Office establishment is not a machine; it is a living service of thousands of skillful and devoted men and women. Two hundred and fifty thousand persons are regularly and continuously engaged in

handling the United States mails, and 60,000 others are given part-time or contract employment by the Post Office Department. The esteem and affection in which the Postal Service is held by all our citizens is a deserved tribute to the unfailing fidelity of these efficient and honorable public servants. And as evidence of its continuity and development we have here today a postmaster who has had 60 years of continuous service.

I wish to take this occasion to express my appreciation of the willingness and zeal with which all employees have joined in the plan of sharing work in the establishment during these times so that the service shall hold its personnel and that none shall be deprived of employment.

Thirty-two years ago the Post Office Department moved its offices into the building which it at present occupies. In these 32 years, the population of the country has increased by 65 percent, but the postal business has increased sevenfold. And so today we lay the cornerstone of the new building which is to house the executive offices of this enlarged and growing institution for the next generation. In the future, as in the past, the enlargement of its services will bring increased abundance to the commercial, the social, and the spiritual life of all our citizens.

NOTE: The President spoke at 3:30 p.m.

On the same day, the White House issued an advance text of the address.

308

Message to King Christian X of Denmark on His Birthday.

September 26, 1932

IT GIVES ME pleasure on this anniversary of Your Majesty's birth to convey to you my heartiest congratulations and best wishes for your health and happiness in the years to come.

HERBERT HOOVER

[His Majesty Christian X, King of Denmark, Copenhagen]

309

White House Statement on Crop
Production Loans to Wheat Farmers.
September 27, 1932

PRESENT LOW PRICES make it practically impossible for wheat farmers to repay their crop production loans without incurring grave risk of need during the winter. On September 14 the Secretary of Agriculture, in order to clear up the situation, issued the following statement in respect to these loans.

“With respect to your recommendation as to deferment of collection of food and seed loans made by this Department I am authorized by the President to say that the Department wishes to handle the situation with the utmost consideration for the borrowers who are in difficulties. You will realize that the law contemplates that the loans must be repaid out of this crop and that to give such extension as you wish will require legislative authority. To meet the needs of those who are in distress the Department will not press for collection of these loans until Congress has an opportunity to act.”

It is now represented that this plan has not solved the difficulties in all localities as it has been construed that under this arrangement a claim remains upon the crop which prevents the marketing of any part of it.

In order to clear the matter up, after consultation with authorities in the States concerned, and in order to enable such farmers to provide for their families, the Secretary of Agriculture, after consultation with the President, has directed the Department to accept from such farmers 25 percent of the amount due, together with an agreement to secure the remaining 75 percent of such debt on whatever terms Congress may authorize. Upon payment of such 25 percent and execution of the agreement, no further payment will be required until opportunity has been given Congress to pass on the question involved.

NOTE: During 1932, the Department of Agriculture had extended approximately \$70 million in feed and seed loans, of which only about \$6 million had been repaid.

On September 29, the Department extended similar relief to cotton and tobacco growers.

310

Message to Governor James R. Beverley
on Hurricane Relief for Puerto Rico.
September 28, 1932

I AM DEEPLY grieved to learn of the death and destruction visited upon the people of Puerto Rico¹ and their possessions, and wish you please to report to me at once the salient facts of the situation especially those looking to immediate provision of any relief that can be supplied by our public agencies.

HERBERT HOOVER

[Honorable James R. Beverley, Governor, San Juan, Puerto Rico]

NOTE: On September 27, 1932, a hurricane struck Puerto Rico, killing 245 people, injuring 3,329, leaving approximately 245,000 homeless, and causing about \$30 million worth of property damage.

Governor Beverley's reply to the President's message follows:

The people of Puerto Rico deeply appreciate your cable. Hurricane caused great property damage but was confined to northern half of island especially at eastern end and around San Juan. Latest check late today shows 134 dead and 1,355 injured, believe dead will reach 200. Governor's Committee organized day before hurricane and Red Cross today placed emergency aid in medical supplies, food, and shelter in the regions most seriously damaged. We will need tents and cots from the States. These have already been requested and promised. Representative of National Red Cross scheduled to arrive Friday by air. Entire area affected by hurricane was surveyed from air yesterday and today. Spirit of people excellent. Work of reconstruction started early morning after cyclone. We will need some aid in the way of food for a few weeks.

JAMES R. BEVERLEY

Governor

[Honorable Herbert Hoover, Washington, D.C.]

¹ On May 17, 1932, the President signed Pub. Res. No. 20, (47 Stat. 158) designating "Puerto Rico" as the official spelling.

311

Radio Address to the Women's
Conference on Current Problems.
September 29, 1932

YOUR MEETING is for the purpose of forming programs of work in local advancement during the next year. I have been asked to speak for a few moments on the question of housing and of children. I could have taken part of my time to speak to you about such problems as world disarmament, American policies in advancement of world peace, the importance of the forthcoming Economic Conference in Europe, the problems of reconstruction from the present depression, the tremendous problems of reorganization we must face as a result of our experiences in the last 3 years.

All of these are vital questions in which the women of America are interested and in which you can contribute enormously to advancement. But in the larger sense none of the problems before us is greater than the problems of the home and the children.

Second only in importance to the direct problems of childhood are the collateral problems of home surroundings and homeownership. The conference in Washington on housing and homeownership in which many of those present with you this evening participated has established a basis for national thought and progress in the great social and economic problems involved. The work of that conference has already flowered in the creation of a new system of home loan banks which I recommended to the Congress for both emergency purposes and for the permanent advancement of homeownership. The authority in the Reconstruction Finance Corporation Act to make loans for slum clearance in the cities is another evidence of the advance of public thought. To you who are planning ahead programs of work for earnest groups of organized women I strongly commend study of the new data, new ideas, and methods and plans envisaged by this most exhaustive conference on housing and homes.

Our most immediate question is the strain of the depression upon the children. In this depression as never before the American people have responded with a high sense of responsibility to safeguard and protect the children not only as the humane necessity of the day but that there may be no danger for the future. The devotion of voluntary effort, the solicitude being given throughout the Nation to the welfare of children through this trying distress is a stimulant to the spirit of every one of us. The continuous reports of the Public Health Service showing a less infant mortality, less infant disease than in prosperous times, can mark only one thing and that is the most extraordinary devotion to those who would be normally the most hard pressed. I know of no greater service than constant watchfulness of your groups that they shall continue to be safeguarded.

There is another opportunity growing out of these times to advance the cause of children. It is obvious that the discoveries of science and invention, of laborsaving devices, have outrun the rapidity with which we normally balance our economy with employment in production of new commodities and new services. The result is a large increase in what we popularly call "technological unemployment." One answer to it lies in shortening the hours of labor that all may ultimately participate in the productive work of the Nation. But there is also another contribution which can be made—that is the steady elimination of child labor. A great deal has been accomplished in this direction in past years. But it would not only help childhood, but would aid in the better distribution of work amongst adult breadwinners if more children were eliminated from those few industries where they are still employed. It would be a step toward the permanent elimination of young children from industry.

We should not forget that idleness is no more helpful to children than it is to adults, and that a rigorous enforcement and support of school attendance is of vital accompaniment of all reduction of child employment—which in turn brings us to the necessity of maintaining and supporting our schools as a first charge upon all of our resources in these times of emergency. Not alone should we maintain and support and expand them for the purpose of absorbing the comparatively small

percentage of children who otherwise might be engaged in industry. We cannot afford to slacken one moment in the preparation of the new day of a generation of Americans stronger and better, not only physically and intellectually but above all morally.

We can do much to help the Nation and the children over the present emergencies. But the greatest service in the long view is the endowment we can give to the next generation in health and character. In that field lies the progress of the Nation in stamina, health, and character. So much have I felt this to be an imperative responsibility, that I have given every weight of this office and much time in association with these efforts.

Laterally, I have been much interested in the systematic formulation of the conclusions of the White House Conference on problems of children. Out of this Conference came the Children's Charter, containing a definite program—a program near to your heart and mine, a program so comprehensive, so varied as to provide a foothold for every kind of organized interest, a program so definite that you can make it a personal and specific undertaking. That it struck a responsive chord in the Nation is evidenced by the millions of copies of it which have been reproduced.

To refresh your memory of it and to re-express my own interest in it, I shall repeat to you an abbreviated condensation of it. This then should be our creed and our program for childhood:

“For every child spiritual and moral training to help him to stand firm under the pressure of life.

“For every child understanding and the guarding of his personality as his most precious right.

“For every child a home and that love and security which a home provides, a dwelling place safe, sanitary, and wholesome, a home environment harmonious and enriching.

“For every child full preparation for his birth, his mother receiving prenatal, natal, and postnatal care.

“For every child health protection from birth, promotion of health, health instruction, and physical and mental recreation.

“For every child a school which is safe from hazards; sanitary, prop-

erly equipped, lighted, and ventilated; an education which prepares him for life and prepares him for a living.

"For every child a community which recognizes and plans for his needs, protects him against physical dangers, moral hazards, and disease; provides him with safe and wholesome places for play and recreation, and education for safety and protection against accidents.

"For every child who is blind, deaf, crippled, or otherwise handicapped, care and treatment, and such training that he may become an asset to society.

"For every child who is in conflict with society the right to be dealt with intelligently as society's charge, not society's outcast.

"For every child the right to grow up in a family with an adequate standard of living and the security of a stable income.

"For every child protection against labor that stunts growth, that limits education, that deprives children of the right of comradeship, of play, and of joy.

"For every rural child as satisfactory schooling and health services as for the city child.

"Every stimulation and encouragement to the voluntary youth organizations.

"Everywhere a district, county, or community organization for health, education, and welfare, with fulltime officials, coordinating with a statewide program, which will be responsive to a nationwide service of general information, statistics, and scientific research.

"For every child these rights, regardless of race, or color, or situation, wherever he may live under the protection of the American flag."

This is my answer to your request for a specific program for your organizations. Our problem is to bring these ideals into reality.

I have worked with you for many years in the development of this vision and in the perfecting of the practical means by which it may be realized. I pledge to you my support in your endeavors.

NOTE: The President spoke at 8:30 p.m. from the White House. The New York Herald Tribune sponsored the conference which met in the Waldorf-Astoria Hotel in New York City. The National Broadcasting Company carried the address to the Nation.

312

Message on Receiving an Award From
the Catholic Boys' Brigade of the United States.
September 29, 1932

My dear Father Hennrich:

Will you please express to the Catholic Boys' Brigade of the United States my warm appreciation of their sincere and helpful cooperation with the purposes of the White House Conference on Child Health and Protection, as expressed by their conferring upon me the Star Pro Juventute. It is indeed heartening to know that the Brigade, as an organization for all boys without distinction of class, color, or creed, enlists its energies in furtherance of the Children's Charter which the Conference formulated as a goal toward which all people of good will might work to bring health and happiness to all children. I am touched by this recognition of my part in this great undertaking and I ask you to take back to the Catholic Boys' Brigade U.S., my heartfelt appreciation.

Yours faithfully,

HERBERT HOOVER

[Rev. Kilian J. Hennrich, O. M. Cap., Director General, Catholic Boys' Brigade U.S., 213 Stanton St., New York City]

NOTE: The President read the message during presentation ceremonies at the White House. Rev. Hennrich presented the award to the President.

313

Message About the Farm Mortgage Relief Conference.
September 29, 1932

[Released September 29, 1932. Dated September 28, 1932]

YOU WILL BE GLAD to know that I have secured a preliminary discussion amongst eastern mortgage concerns and governmental agencies upon the question of farm mortgages. As a result Mr. Henry Rob-

inson, Chairman of the Executive Committee of the Federal Reserve Banking and Industrial Committees, has arranged for a further meeting of members of those committees for the midwest districts together with representatives of mortgage agencies in Chicago at the Federal Reserve Bank in Chicago tomorrow. It is to be followed by a more extended meeting on Friday. In order that we may have full coordination of governmental agencies the Secretary of Agriculture and representatives of the Reconstruction Corporation and the Federal Farm Loan banks will participate in these meetings with other mortgage agencies. I am very hopeful that constructive steps will follow from these conferences.

HERBERT HOOVER

[Hon. Dan W. Turner, Governor of Iowa, Des Moines, Iowa]

NOTE: The conference, which was held in Chicago on September 29 and 30, 1932, was attended by representatives of the banking community, insurance companies, joint stock land banks, and Federal lending institutions.

314

Letter to Mollie Brown Carran Requesting Her To Join
the Campaign Train En Route to Des Moines, Iowa.
September 29, 1932

[Released September 29, 1932. Dated September 26, 1932]

My dear Mrs. Carran:

I have your kind letter of September 18th. I am not going to be able to take the time to stop at West Branch on this trip, but I have asked Mr. Spangler to have you come to the train and accompany me to Des Moines in order that I may have an opportunity to see you again.

With kind regards, I am

Yours faithfully,

HERBERT HOOVER

[Mrs. Mollie Carran, West Branch, Iowa]

NOTE: Mrs. Carran was President Hoover's boyhood schoolteacher. On October 4, 1932, she boarded the presidential train at West Liberty, Iowa, and accompanied the President to Des Moines.

Harrison E. Spangler, of Cedar Rapids, Iowa, was a member of the Republican National Committee.

315

Message on the Completion of the Greenspan
Brothers Warehouse.

September 29, 1932

I HEARTILY congratulate you upon the completion of the valuable new structure you are dedicating this evening, and even more do I congratulate your community and the Nation upon such an example of vision and of faith in the country as are evidenced by this undertaking which has brought work to artisans in factories and on the construction job and thereby contributed to better times for all.

HERBERT HOOVER

[Greenspan Brothers, c/o Evening News, Perth Amboy, New Jersey]

NOTE: The message was read at dedication ceremonies for a Greenspan Brothers food warehouse in Perth Amboy, N.J.

316

Message to the Fifth Avenue Association of New York City.
September 30, 1932

[Released September 30, 1932. Dated September 13, 1932]

My dear Mr. Pedrick:

The Fifth Avenue Week movement for the revival of business through pledging of allegiance by stores to quality merchandise and to the highest business standards, deserves every encouragement and the emulation of other communities throughout the country. I send you my hearty good wishes for all possible success.

Yours faithfully,

HERBERT HOOVER

452

[Mr. William J. Pedrick, President, The Fifth Avenue Association, Empire State Building, New York, N.Y.]

NOTE: The message was made public in conjunction with the opening of Silver Jubilee Week by Fifth Avenue merchants.

317

Message to the Massachusetts Republican State Convention.
September 30, 1932

I AM GRATEFUL for the measure adopted by the Massachusetts Republican State Convention. I deeply appreciate your support. We have now entered a period of the campaign when every energy needs to be put forward to bring to the people an understanding of the principles and purposes of the Republican party. We have before us great problems, we have initiated and are carrying forward sound and effective measures. Our programs and policies are already demonstrating their validity. The real program of our opponents is clear—it is evidenced by the measures passed by the last House of Representatives under Democratic control and it is your duty to bring the knowledge of such disastrous efforts before the people. I have no doubt of your success.

HERBERT HOOVER

[Mr. Amos Taylor, Chairman, State Committee, c/o Republican State Convention, Boston, Massachusetts]

NOTE: The message was a response to greetings from the convention. The measure the President referred to was a resolution passed by the convention calling for the repeal of the 18th amendment but with a guarantee against the return of the saloon.

318

Remarks to the Republican Joint National Planning
Committee To Get Out the Negro Vote.
October 1, 1932

I WISH to thank you for your coming and for the presentation to me of so touching a statement.

The platform of the Republican Party speaks with justifiable pride of the friendship of our party for the American Negro that has endured unchanged for 70 years. It pledges itself to the continued insistence upon his rights. That the friendship and consideration of the party for the American Negro has borne fruit is in the advancement of the race. That is evident in business, in the arts and sciences, in the professions, and recently we have seen a great achievement of two splendid youths, Tolan and Metcalfe, in world supremacy in the Olympiad.

It has been gratifying to me to have participated in many measures for advancement of education and welfare amongst the Negroes of our Nation. I have received the cooperation and counsel of a distinguished leadership of the Negroes themselves in these institutions and movements. No better example of this leadership than the contributions made by Negro representatives who participated in the recent White House Conference on Child Health and Protection and upon Home Building and Home Ownership. I recall also with great pleasure this cooperation and the evidence of fine leadership in the relief of the Mississippi floods, and more recently in relief of drought, and in the sound advice and assistance I have had in formulating relief from the present distress and unemployment.

You may be assured that our party will not abandon or depart from its traditional duty toward the American Negro. I shall sustain this pledge given in the first instance by the immortal Lincoln and transmitted by him to those who followed as a sacred trust. The right of liberty, justice, and equal opportunity is yours. The President of the United States is ever obligated to the maintenance of those sacred trusts to the full extent of his authority. I appreciate your presence here today as an evidence of your friendship.

NOTE: The President spoke at 12 noon in ceremonies welcoming 100 black Republicans to the White House. Prior to his remarks, the leaders of the delegation expressed their faith in him and asked for a message to the black community.

In his remarks, the President referred to Eddie Tolan, Olympic champion in the 100 and 200 meter dashes, and Ralph Metcalfe, runner-up in the 100 meter dash.

319

Message to President Paul von Hindenburg
of Germany on His Birthday.

October 2, 1932

ON THIS eighty-fifth anniversary of Your Excellency's birth, I send you my cordial felicitations. May your future have in store for you a long continuation of good health and happiness.

HERBERT HOOVER

[His Excellency Field Marshal Paul von Beneckendorff und von Hindenburg,
President of the Reich, Berlin, Germany]

320

Message to the Annual Safety Congress
of the National Safety Council.

October 3, 1932

My dear Mr. Bergquist:

I will be obliged if you will express my cordial greetings to the Annual Safety Congress of the National Safety Council, and my deep sense of the value of their leadership in the vital tasks of saving human life from the avoidable accidents incident to modern machinery of production and transportation. This work is both wise conservation and high humanity.

Yours faithfully,

HERBERT HOOVER

[Mr. C. W. Bergquist, President, The National Safety Council, c/o Wardman Park Hotel, Washington, D.C.]

NOTE: The message was read at the opening session of the organization's annual convention which met at the Wardman Park Hotel in Washington, D.C.

321

Rear Platform Remarks in Illinois and Iowa.

October 4, 1932

[1.] ROCK ISLAND, ILLINOIS (11:15 a.m.)

I deeply appreciate the cordiality and enthusiasm of your reception. It is most heartening. My many friends in Rock Island have extended most hospitable invitations to me during the past 2 years to visit your city. I regret exceedingly that I have not been able to do so. I know you all realize the difficulties with which the country has been confronted and appreciate that the greatly enlarged burdens upon the office of the President have made it impossible for me to accept such pleasures. Indeed, the duties of my office are still so pressing that I shall have the opportunity to visit but few parts of our country during this campaign to talk directly to the people about the problems before us and the work of the administration.

I should like to have had this personal contact, but I am sure you and our other cities and States will realize that the work of the Government with its vast reconstruction program and greatly enlarged administrative responsibilities must be given complete precedence in these difficult times.

Your city is directly participating in many ways in the reconstruction work of the Government, not only in speeding up of public buildings, but as you know, I have been intensely interested in the development of waterways for many years.

Two years ago we passed the necessary legislation authorizing construction of the full 9-foot channel for the upper Mississippi to Minneapolis and St. Paul. The first point of attack on this great project has been at Rock Island. I have been keeping track of the progress of the work. We have expedited it even more rapidly than originally intended in order to aid unemployment. The War Department informs me that the new locks are nearly completed and while the other works at Rock Island were contracted to be completed in March 1934, they will most likely be completed at a much earlier date. We are also expe-

ding work on the river above, and we will see the full 9-foot waterway from St. Paul and Minneapolis to New Orleans completed much earlier than originally anticipated. Full 9-foot transportation between Rock Island and the other cities on the Mississippi River system cannot fail to advance prosperity of your city.

I shall not attempt to discuss national issues with you in so short a time as this. I trust you may be able to listen this evening to my statement at Des Moines. I wish you to know how deeply I appreciate your coming to meet me and the encouragement you give.

[2.] DAVENPORT, IOWA (11:25 a.m.)

I deeply appreciate your reception upon my entry to my native State. It gives me a glow of happiness and encouragement.

Davenport is one of the towns which I visited as a boy in this State. If I were able to go through the town today, I would not be able to recognize a single part because of its growth and improvement.

A moment ago at your sister city across the river, I referred to the relation to you of the great reconstruction program which the Government is putting forward in aid to recovery from the depression. You in Davenport are equally interested in the legislation passed 2 years ago for the construction of the 9-foot channel in the upper Mississippi to Minneapolis and St. Paul. Here has been the first point of major attack in that great construction work. We have greatly speeded it up as an aid to employment. The whole of this improved waterway in which your city is so much interested will be completed long before originally anticipated.

There is another point at which the reconstruction program of the Government touches your community deeply. Well do I remember a visit from your citizens in presenting to me the plight of the leading banking institution of your city which had been compelled to suspend, not because of mismanagement, not because of lack of validity of its assets, but because of the impossibility of instantly realizing these deposits and assets to meet demands of depositors. With the assistance we were able to give through the Reconstruction Corporation to the patriotic effort of your citizens that bank has been reopened; thousands of deposi-

tors have been saved. The pressure has been removed from thousands of borrowers that they should instantly pay their loans. The institution has been constructively functioning in your community.

These examples better than words of mine indicate the solicitude which I and my colleagues have had for you in these times.

I thank you for the welcome you have accorded me to the State where I was born. I deeply appreciate your encouragement and your support.

[3.] WEST LIBERTY, IOWA (12:30 p.m.)

I am deeply affected by the cordiality and generous welcome which you have given me. I am glad to make even this short visit to the town where I was carried as occasional baggage during my boyhood. It has been an especial pleasure to meet old friends of my boyhood and especially Mrs. Carran, the devoted and self-sacrificing teacher of my first schooling. It all brings back recollections of all those adventures and joys of living that come to childhood. These adventures on an American farm in an American village are the stimulus in life I could wish for every boy and girl. Working with one's hands in the growing crops, the harvest, the preparation for winter, new discoveries and adventures in the streams and the hills with every changing season—all build for health and the understanding of life which is denied many of our city children.

No food will ever taste so good as the family supper of those days; no sport will ever equal the mud-lined swimming hole; no speed will ever seem so great as sliding down hills on one's tummy. No prowess in ascendancy over wild animals will ever equal the rabbit tracked through the snow to his lair; no deed of valor so great as to bring him back alive.

I deeply appreciate your reception and thank you for the warmth of your greeting.

NOTE: The President was en route to Des Moines, Iowa where he was scheduled to make his first major campaign address. Times provided for the President's remarks are approximations based on his itinerary.

In his remarks, the President referred to Mrs. Mollie Brown Carran, who joined the President at West Liberty and accompanied him to Des Moines, Iowa.

322

Address at the Coliseum in Des Moines, Iowa
October 4, 1932

My friends:

I deeply appreciate the welcome which you have given me this evening. I am unable to speak of the depth of feeling that I have for the reception which I have received from the hour that I stepped foot on my native State.

I am glad, as a son of the soil of this State, to come back to where I was born and where I spent the first 10 years of my boyhood. My parents and my grandparents came to Iowa in the covered wagon—pioneers in this community. They lie buried in your soil. They broke the prairie into homes of independent living. They worshiped God; they did their duty to their neighbors. They toiled to bring to their children greater comfort, better education, and to open to them a wider opportunity than had been theirs.

It was my destiny in the solicitude for an orphaned family to be taken by the old emigrant railway train westward to the Pacific coast and ultimately to fix my home and hopes in California. My sons fly those journeys in a span of daylight.

These contrasts of a half century are a vivid picture of the change and the progress of American life.

My experiences of later years have in no way diminished my memories and my gratitude to my native State. It was here that the doors of opportunity were first opened to me. It was here that I was given that tender care of mind and body, those first steps in education, that knowledge of poverty and struggle for family betterment which contribute to a real understanding of American life.

And with it all, even in those days, a boy had his first contact with the wider life of the Nation. Not that childhood grasps or understands these questions, but great forces, then as now, touched every home and farm in our country.

As a boy I walked alongside the torchlight procession in the Garfield campaign. I was awed by the whispered anxiety when the President

was shot by an assassin and by the genuine grief of every person in that village when the flag was placed at half-mast on his passing.

I have been accorded the highest honor which my country can bestow—that is to lead it amongst the nations of the world in the paths of peace and to serve in the stern duty of the battle against the invisible forces of a great world calamity.

It was in this community, in this State that I came in contact with my first economic depression. I was born in the midst of the terrible times of the seventies, with their poverty and their difficulties. And only in that period has our Nation had to meet a situation in any degree comparable with that with which we now contend. That was the economic storm which broke upon us when the aftermath of the Civil War coincided with the wars of Europe. But in those days agriculture and industry were less dependent upon each other, and there was far less interdependence amongst the nations of the world, and thus the violence of the storm in human suffering and loss was infinitely less disastrous.

Not that I would suggest that at that age I knew what an economic depression was or that I had ever heard the words, but I do vividly recollect a Christmas upon that farm when the sole resources of joy were popcorn balls, sorghum, and hickory nuts; when for a flock of disappointed children there were no store toys, no store clothes; when it was carefully explained that because of the hard times everything must be saved for the mortgage. The word "mortgage" became for me a dreaded and haunting fear from that day to this.

I know now from reading history that that Christmas was also a time when the country was coming out of a great depression. The Democratic Party was still coquetting with the panacea of that time—greenbacks. I did not then know what greenbacks were, but I do know that that family tightened its belt and, with confidence, voted for James A. Garfield, a Republican President.

My purpose tonight is to deal with some of the problems of the day. Seldom in our history have we gone through greater dangers, or have the difficulties before the Nation been of such gravity. They attain this gravity not only because of the unprecedented dislocation in our domestic life but because our problems are worldwide.

Aside from the value of truth, the causes and origins of this unparalleled storm are of importance only as they indicate the policies we must pursue to attain our safety. I say to you that a storm which embraces the whole world, which ramifies to every village in China, every sheep ranch in Patagonia, every factory in Germany, every mine in Australia, every countinghouse in England, every farm in the State of Iowa, is the result of a terrific disruption in civilization itself. Something infinitely deeper and of greater portent has happened in the world than any reaction from our own reckless speculation and our own reckless exploitation. We are contending today with forces at home and abroad that still threaten the very safety of civilization.

I know it seems a far cry to the village home of America from the effect of the 40 million people who were killed, starved, or maimed in the Great War, with all its loss in skill and character. It seems a far cry from the increase in debt of governments from \$20 billion before the war to \$220 billion immediately after or an amount equal to nearly two-thirds the value of the whole United States. It seems a far cry from the effect of an increase in the peace armies of the world in 20 years from 2 million of men to 5 million of men with the hate and suspicion that they excite. It seems a far cry from the last 12 years of frantic political and financial policies of foreign nations, with the ultimate collapse of governments and revolutions and dictatorships.

You can test the part which the Great War played in the difficulties in your own home and their relation to the gravity of the situation today right at your own doors.

You will recollect that the values of land in this State doubled and trebled under the transitory demands of the Great War. You will recollect the expansion of mortgages, the collapse in values immediately thereafter, the doubling of taxation, the aftermaths—all of which are still a part of the problems you are struggling with. You know the stifling of your markets from the collapse of other nations under the calamities they have inherited from the war.

Now, we have fought an unending war against the effect of these calamities upon our people in America. This is no time to recount the

battles on a thousand fronts. We have fought the fight to protect our people in a thousand cities from hunger and cold.

We have carried on an unceasing campaign to protect the Nation from those unhealing class bitternesses which arise from strikes and lockouts and industrial conflict. We have accomplished this through the willing agreement of employer and labor which placed humanity before money through the sacrifice of profits and dividends before wages.

We have defended millions from the tragic result of droughts. We have mobilized a vast expansion of public construction to make work for the unemployed. We fought the battle to balance the budget. We have defended the country from being forced off the gold standard, with its crushing effect upon all who might be in debt. We have battled to provide a supply of credits to merchants and farmers and industries. We have fought to retard falling prices. We have struggled to save homes and farms from foreclosure of mortgages, battled to save millions of depositors and borrowers from the ruin caused by the failure of banks, fought to assure the safety of millions of policyholders from failure of their insurance companies, and fought to save commerce and employment from the failure of railways.

We have fought to secure the disarmament and to maintain the peace of the world. We have fought for stability in other countries whose failure would inevitably injure us. And, above all, we have fought to preserve the safety, the principles, and the ideals of American life. We have builded the foundations of recovery.

Now, all these battles, related and unrelated, have had a single strategy and a single purpose. That was to protect your living, your comfort, and the safety of your fireside. They have been waged and have succeeded in protecting you from infinitely greater harm that might have come to you.

Thousands of our people in their bitter distress and losses today are saying that "things could not be worse." No person who has any remote understanding of the forces which confronted this country during these last 18 months ever utters that remark. Had it not been for the immediate and unprecedented actions of our Government things would be infinitely worse today.

Instead of moving forward we would be degenerating for years to come, even if we had not gone clear over the precipice, with the total destruction of every ideal we hold dear.

Let no man tell you that it could not be worse. It could be so much worse that these days now, distressing as they are, would look like veritable prosperity.

In all these great efforts there has been a constant difficulty of translating the daily action into terms of public understanding. The forces in motion have been so gigantic, so complex in character, the instrumentalities and actions that we must undertake to deal with them have been so involved, the figures we must use are so astronomical as to seem to have but little relation to the family in the apartment or the cottage or on the farm.

Many of these battles have had to be fought in silence, without the cheers of the limelight or the encouragement of public support, because the very disclosure of the forces opposed to us would have undermined the courage of the weak and induced panic in the timid and would have destroyed the very basis of success.

Hideous misrepresentation and unjustified complaint have had to be accepted in silence for the national good. It has been as if a great battle in war should be fought without public knowledge of any incident except the stream of the dead and the wounded from the front. There has indeed been much of tragedy, but there has been but little public evidence of the dangers and enormous risks from which a great national victory has been achieved.

I have every confidence that the whole American people know in their hearts that there has been but one test in my mind, one supreme object in the measures and policies we have forged to win in this war against depression: that test was the interest of the people in the homes and at the firesides of our country. I have had before me but one vision: that is, the vision of the millions of homes of the type which I knew as a boy in this State.

I wish to describe one of the battles we have fought to save this Nation from a defeat that would have dragged farmers and city dwellers alike down to a common ruin. I know that it is the most involved of eco-

nomics and the most complex of descriptions to attempt. But I shall try it if you will have patience. That battle was fought parallel with other battles on other fronts. Much of what I will tell you has been hitherto undisclosed. It had to be fought in silence, for it will be evident to you that had the whole of the forces in motion been made public at that time there would have been no hope of victory because of the panic through fear and the destruction of confidence that very disclosure would have brought. Happily we have won this battle. There is no longer any danger from disclosure.

Our own speculative boom had weakened our own economic structure, but the critical assaults and dangers swept upon us from foreign countries. We were therefore plunged into a battle against invading forces of destruction from abroad, a battle to preserve the financial integrity of our Government, to counteract the terrific forces of deflation aligned against us, to protect the debtor class who were being strangled by the contraction of credit and the demands for payment of debt, to prevent our being pushed off the gold standard, which in our country would have meant disaster to every person who owed money, and finally to preserve the savings of the American people.

We were fighting to hold the Gibraltar of world stability, because only by holding this last fortress could we be saved from a crashing world with a decade of misery and the very destruction of our form of government and our ideals of national life.

When 18 months ago the financial systems of Europe were no longer able to stand the strain of their war inheritances and of their after-war economic and political policies, of their debt and their political and military actions, an earthquake ran through 40 nations. Financial panics; governments unable to meet their obligations; banks unable to pay their depositors; their citizens, fearing inflation of currency, seeking to export their savings to foreign countries for safety; citizens of other nations demanding payment of their loans; financial and monetary systems either in collapse or remaining only in appearance. The shocks of that earthquake ran from Vienna to Berlin, from Berlin to London, from London to Asia and to South America. From all those countries they came to this country, to every city and farm in it.

First one and then another of those 40 nations either abandoned payment in gold of their obligations to other countries, or restricted payments by their citizens to foreign countries, so as to practically amount to at least a temporary or a partial repudiation of public and private debts. Every one of them, in a frantic endeavor to reduce the expenditures of their citizens, imposed drastic restrictions upon their imports of goods. These events were not as children playing with blocks. They brought revolutions, mutinies, riots, downfalls of governments, and a seething of despair which threatened civilization itself.

In order to prevent total collapse of the German people and its inevitable effect upon us, I brought about the German moratorium and the so-called German standstill agreements by which Europe was given a breathing spell in which to arrange and stabilize its affairs. But the shocks grew in violence, and finally, at the end of September a year ago, the difficulties of Europe culminated with the suspension of gold payments by the Bank of England, followed by many other nations. With no stability in foreign currencies trade again slackened because merchants could not calculate the amount they might realize when they shipped their goods.

Now, an amazing statement was made a few days ago in this State that the passage of the Tariff Act of 1930 "started such a drain on the gold reserves of the principal commercial countries as to force practically all of them off the gold standard." The facts are that the Tariff Act was not passed until nearly a year after this depression began.

This earthquake started in Europe. The gold of Europe was not drained and never has been drained. It has increased in total every year since the passage of the Tariff Act and is right now \$1,500 million greater than when the act was passed, and the tariff is still operating. It has been my daily task to analyze and to know the forces which brought these calamities. I have to look them in the face. They require far more penetration than such assertions as this would indicate.

The shocks which rocked these nations came from profound depths; their spread gave fearful blows to our own system, finally culminating October last in what, had they not been courageously met with unprece-

dented measures, would, because of our peculiar situation, have brought us to greater collapse than many of the countries of Europe.

The first effect of these shocks on us was from foreign dumping of American securities on our markets which demoralized prices upon our exchanges, depreciated the securities and investments held by our insurance companies and our trusts, foreign buying power stagnated because of their internal paralysis and this in turn stifled the markets for our farms and factories; it increased our unemployment and by piling up our surpluses demoralized our agricultural prices even further.

The frantic restrictive measures on exchanges which they took and the abandonment of gold standards made it impossible for American citizens to collect billions of the moneys due to us for goods which our citizens had sold abroad, or short-term loans they had made to facilitate commerce. At the same time citizens of those foreign countries demanded payment from our citizens of the moneys due for goods which they had sold to our merchants and for securities they had sold in our country.

Before the end foreign countries drained nearly a billion dollars of gold and a vast amount of other exchange from our coffers.

We had also to meet an attack upon our own flank from some of our own people who, becoming infected with world fear and panic, withdrew vast sums from our own banks and hoarded it from the use of our own people, to the amount of nearly \$1,500 million. This brought its own train of failures and bankruptcies. Even worse, many of our less patriotic citizens started to export their money to foreign countries for fear we should be forced onto a paper money basis.

Now, all this cataclysm did not develop at once. It came blow by blow. Its effect upon us grew steadily, and our difficulties mounted higher day by day.

This is no time to trace its effect stage by stage. No statement of mine is needed to portray the effects which you have felt at your own door. No statement could portray the full measure of perils which threatened us as a nation.

Three of the great perils were invisible except to those who had the responsibility of dealing with the situation.

The first of these perils was the steady strangulation of credit through the removal of \$3 billions of gold and currency by foreign drains and by the hoarding of our own citizens from the channels of our commerce and business. And let me remind you that credit is the lifeblood of business, the lifeblood of prices and of jobs.

Had the consequences of this action, of that drain been allowed to run their full extent, it would have resulted, under our system of currency and banking, in the deflation of credit anywhere from \$20 to \$25 billions, or the destruction of nearly one-half of the immediate working capital of the country. There would have been almost a universal call for the payment of debts which would have brought about inevitable universal bankruptcy because property could not be converted into cash, no matter what its value.

There were other forces equally dangerous. The tax income of the Federal Government is largely based upon profits and income. As these profits and income disappeared, the Federal resources fell by nearly one-half, and thus the very stability of the Federal Treasury was imperiled. The Government was compelled to borrow enormous sums to meet current expenses.

The third peril, which we escaped only by the most drastic action, was that of being forced off of the gold standard. I would like to make clear to you what that would have meant had we failed in that sector of the battle. Going off the gold standard in the United States would have been a most crushing blow to most of those with savings and those who owed money, and it was these we were fighting to protect.

Going off the gold standard is no academic matter. By going off that standard, gold goes to a premium, and the currency dollar becomes depreciated. In our country, largely as a result of fears generated by the experience after the Civil War and by the Democratic free-silver campaign in 1896, our people have long insisted upon writing a large part of their long-term debtor documents as payable in gold.

A considerable part of farm mortgages, most of our industrial and

all of our Government, most of our State and municipal bonds, and most other long-term obligations are written as payable in gold.

This is not the case in foreign countries. They have no such practice. Their obligations are written in currency. When they abandon the gold standard and gold goes to a premium, the relation of their domestic debtors and creditors is unchanged because both he who pays and he who receives use the same medium. But if the United States had been forced off the gold standard, you in this city would have sold your produce for depreciated currency. You would be paid your bank deposits and your insurance policy in currency, but you would have to pay a premium on such of your debts as are written in gold. The Federal Government, many of the States, the municipalities, to meet their obligations, would either need to increase taxes which are payable in currency, or alternatively, to have repudiated their obligations.

Now, I believe I can also make it clear to you why we were in danger of being forced off the gold standard, even with our theoretically large stocks of gold. I have told you of the enormous sums of gold and exchange that were drained from us by foreigners. You will realize also that our citizens who hoard Federal Reserve and our other forms of currency are in effect hoarding gold because under the law we must maintain 40 percent gold reserve behind such currency. Owing to the lack in the Federal Reserve System of the kind of securities required by the law for the additional 60 percent of coverage of the currency, the Reserve System was forced to increase their gold reserve up to 75 percent. Thus with \$1,500 million of hoarded currency, there was in effect over \$1 billion of gold hoarded by our own citizens.

These drains had at one moment reduced the amount of gold we could spare for current payments to a point where the Secretary of the Treasury informed me that, unless we could put into effect a remedy, we could not hold to the gold standard in the United States for 2 weeks longer because of inability to meet the demands of foreigners and our own citizens for gold.

Being forced off the gold standard in the United States means chaos. Never was our Nation in greater peril, not alone in banks and financial

systems, money and currency, but that forebode dangers—moral and social—with years of conflict and disarrangement.

In the midst of this hurricane the Republican administration kept a cool head, and it rejected every counsel of weakness and cowardice. Some of the reactionary economists urged that we should allow the liquidation to take its course until it had found its own bottom. Some people talked of vast issues of paper money. Some talked of suspending payments of Government issues. Some talked of setting up a Council of National Defense. Some talked foolishly of dictatorship—any one of which ideas would have produced panic in itself. Some assured me that no administration could propose increased taxes in the United States to balance the budget in the midst of a depression and survive an election.

However, we determined that we would not enter the morass of using the printing press for currency or bonds. All human experience has demonstrated that that path once taken cannot be stopped, and that the moral integrity of the Government would be sacrificed because ultimately both currency and bonds must become valueless.

We determined that we would not follow the advice of the bitter-end liquidationists and see the whole body of debtors of the United States brought to bankruptcy and the savings of our people brought to destruction.

We determined we would stand up like men and render the credit of the United States Government impregnable through the drastic reduction of Government expenditures and increased revenues until we balanced that budget. We determined that if necessary we should lend the full credit of the Government thus made impregnable to aid private institutions to protect the debtor and the savings of our people.

We decided, if necessary, upon changes in the Federal Reserve System which would make our gold active in commercial use, and that we would keep the American dollar ringing true in every city in America and every country in the world. We determined that we would expand credit to offset the contraction brought about by hoarding and foreign withdrawals; that we would strengthen the Federal land banks and all other mortgage institutions; that we would lend to the farmers for production; that we would protect the insurance companies, the

building and loan associations, the savings banks, the country banks, and every other point of weakness in this Nation.

We determined to place the shield of the Federal Government in front of those local communities in protection of those in distress, and that we would increase employment through profitable construction work with the aid of Government credit.

On the 3d of October last year, I called to Washington the leading bankers of the country and secured from them an agreement to combine the resources of the banks to stem the tide. They pledged themselves to \$500 million for this purpose. On October 6, I called in the leaders of both political parties. I placed before them the situation at home and abroad. I asked for unity of national action. That unity was gladly given. We published a united determination to the country to meet the situation. Our people drew a breath of relief. The ship swung to a more even keel.

But by the 1st of December the storm had grown in further intensity abroad, and the menace became more serious than ever before. With the opening of Congress in December, I laid before it a program of unprecedented dimensions to meet our unprecedented situation.

Now, the battalions and regiments and armies which we thus mobilized for this great battle turned the tide toward victory by July. The foreigners drew out most of the money that they could get, but finding that the American dollar rang honest, they gained in confidence, and they are now sending it back. Since June, \$275 million of gold has flowed back to us from abroad. Hoarders in our own country, finding our institutions safeguarded and safe, have returned \$250 million to the useful channels of business. The securities held by our insurance companies, our savings banks, and our benevolent trusts have recovered in value.

The rills of credit are expanding. The pressure on the debtor to sacrifice his all in order to pay his debts is steadily relaxing. Men are daily being reemployed. If we calculate the values of this year's agricultural products compared with the low points, the farmers as a whole, despite the heartbreaking distress which still exists, are a billion dollars better

off. Prices have a long way to go before the farmer has an adequate return, but at least the turn is toward recovery.

Now, I have been talking of gold and of currency, of credit and of banks and bonds and insurance policies and of loans. Do not think these things have no human interpretation. The happiness of 120 million people was at stake in the measure to enable the Government to meet its debts and obligations, to save the gold standard, in enabling 5,500 banks, insurance companies, building and loan associations, and a multitude of other institutions to pay their obligations and ease their pressure upon their debtors. These institutions have been rendered safe and with them several million depositors, policyholders, and borrowers.

More than half of all of them were in the Midwest—500 in your own State of Iowa. Had they gone down, the shock of their failure would have carried down with them every man and institution who owed money and the whole employment and marketing fabric of the United States into chaos.

I wish I could translate what these perils, had they not been overcome, would have meant to each person in the United States. The financial system is not alone intrusted with your savings. Its failure means that the manufacturer cannot pay his worker, the worker cannot pay his grocer, the merchant cannot buy his stock of goods, the farmer cannot sell his products. The great clock of economic life stops. Had we failed, disaster would have translated itself into despair in every home, every village, and every farm.

Now, we won this great battle to protect our people at home. We held the Gibraltar of world stability. The world today has a chance. It is growing in strength. Let that man who complains that things could not be worse thank God for this victory and make reverent acknowledgement to the courage and stamina of a great democracy.

Let him also be thankful for the presence in Washington of a Republican administration. I say this with full consideration of its portent, for I wish to call your attention to the part which the dominating leadership, the majority of the Democratic Party has played in this crisis. I wish to bring before you the real doctrines and programs of the men who then and now and in the future will dominate that party.

You will recollect that the congressional election 2 years ago gave the control of the lower House of Congress to our opponents. They were also in position to control the policies of the Senate. After that election their leaders announced to the world that their party would present a program to restore prosperity. One year later, when the new Congress assembled last December in the midst of this crisis, they presented no program.

The administration did present a program which has saved the country from disaster. That program was patriotically supported by many members of the Democratic Party who joined in enactment of these measures. To these men, who placed patriotism above party, I pay tribute, but later in that session of Congress the opposition majority of the House of Representatives could not restrain the real purposes and doctrines of their party. It is of importance to the country to realize what that program was, for the American people are asked to intrust the future of the United States into the hands of these same men and to these policies.

At a time when the most vital need was for the reduction of expenditures and the balancing of the budget to preserve the stability of the Federal Government as the keystone of all stability, they produced a program of pork-barrel legislation in the sum of \$1,200 million for nonproductive and unnecessary works at the expense of the American taxpayer. They produced the cash bonus bill. They passed that through the House of Representatives by their leadership. I opposed it. It failed in the Senate. Under that bill it was proposed to expend \$2,300 million. Worse still, the bill that they passed provided the bonus should be paid through the creation of sheer fiat money. They would have made our currency a football to every speculator and every vicious element in the financial world at the very time when we were fighting for the honesty of the American dollar.

I can do no better than to quote Daniel Webster, who, 100 years ago, made one of the most prophetic statements ever made when he said:

“He who tampers with the currency robs labor of its bread. He panders, indeed, to greedy capital, which is keen-sighted and may shift for itself, but he beggars labor, which is unsuspecting and too busy with the

pursuit of the present to calculate for the future. The prosperity of the workpeople lives, moves and has its being in established credit and steady medium of payment."

The experience of scores of governments in the world since that day has confirmed Webster's statement, and yet the dominant leadership of the Democratic Party—and I am not accusing the Democratic minority who stood out against these things—but that dominant leadership passed that measure to issue paper money through the Democratic House of Representatives.

And, further, the administration proposed economy measures to bring about reduction in specialized governmental expenditures by \$250 to \$300 million. When those recommendations had passed through the filter of the Democratic majority of the House, only \$50 million of savings were left, and yet we hear a multitude of speeches from them on the subject of governmental economy.

They passed a bill to destroy the effectiveness of the Tariff Commission. I vetoed that bill. They passed a price-fixing bill creating what might be colloquially called the "rubber dollar." I opposed that also. They passed a provision for loans to corporations and everybody else, whether they were affected and guarded by public interest or not. It would have made the Government the most gigantic pawnbroker of history. I vetoed that. They passed other measures with this same reckless disregard for the safety of the Nation.

All this undermined public confidence and delayed all the efforts of the administration and the powerful instrumentalities which we had placed in action to save the country. Those of you who will recollect will realize that last March there was a period of upward trend, and after that we descended again into the abyss through these destructive actions. These measures represented the dominant Democratic control, and they brought discouragement and delay to recovery.

That recovery began the moment when it was certain that these destructive measures of this Democratically-controlled House of Representatives had been stopped. Had that program passed, it would have been the end of recovery, and if it ever passes, it will end hope of recovery. These measures were not simply gestures for vote-catching.

These ideas and measures represented the true sentiments and doctrines of the majority of the men who control the Democratic Party. A small minority of Democratic Members of the House and the Senate disapproved of these measures. These men obviously no longer voice the control of that party. This program was passed through the Democratic House of Representatives under the leadership of the gentleman who has been nominated the Democratic candidate for Vice-President, and thus these measures and policies were approved by that party.

At no time in public discussion of the vital issues of this campaign has any Democratic candidate, high or low, disavowed these destructive acts which must again emerge if they come to power. I ask you to compare this actual Democratic program and these Democratic actions with the constructive program produced by the administration to meet the emergency. And I ask: Do you propose to place these men in power and subject this country to that sort of measures and policies? It is by their acts in Congress and their leadership that you shall know them.

Now, of vital concern to you and to all the Nation are the difficulties of agriculture. They have been of vital concern to me for the whole of these difficult years. I have been at the post to which the first news of every disaster is delivered and to which no detail of human suffering is ever spared. I have heard the cries of distress, and not only as a sympathetic listener but as one oppressed by a deep sense of responsibility to do all that human ingenuity could devise. I wish to speak directly to those of my hearers who are farmers of what is on my mind, of what is in my heart, to tell you the conclusions that I have reached from this bitter experience of the years in dealing with these problems which affect agriculture at home and their relations abroad.

That agriculture is prostrate needs no proof. You have saved and economized and worked to reduce costs, but with all this, yours is a story of suffering and distress.

What the farmer wants and needs is higher prices, and in the meantime to keep from being dispossessed from his farm, to have a fighting chance to save his home. The immediate and pressing question is how these two things are to be attained. Every decent citizen wants to see the farmer receive higher prices and wants to see him keep

his home. Every citizen realizes that the general recovery of the country cannot be attained unless these things are secured to the farmer.

Every thinking citizen knows that most of these low price levels and most of this distress, except in one or two commodities where there is an unwieldy surplus, are due to the decreased demand for farm products by our millions of unemployed and by foreign countries. Every citizen knows that part of this unemployment is due in turn to the inability of the farmer to buy the products of the factory. Every thinking citizen knows that the farmer, the worker, and the businessman are in the same boat and must all come to shore together.

Every citizen who stretches his vision across the whole United States realizes that for the last 3 years we have been on this downward spiral owing to the destructive forces some of which I have already described. If he has this vision, he today takes courage and hope because he also knows that these destructive forces have been stopped; that the spiral is now moving upward; that more men are being employed and are able to consume more agricultural products.

The policies of the Republican Party and the unprecedented instrumentalities and measures which have been put in motion—many of which are designed directly for agriculture—are winning out. If we continue to fight along these lines we shall win.

There are 12 facets of this subject, 12 parts of the problem that I should like to discuss with you. The first is that the very basis of safety to American agriculture is the protective tariff.

The Republican Party originated and proposes to maintain the protective tariff on agricultural products. We will even widen that tariff further if it is necessary to protect agriculture. Ninety percent of the farmer's market is at home, and we propose to reserve that market to him.

Now, has the Democratic Party ever proposed or supported a protective tariff on farm products? Has it ever given one single evidence of protection of this home market to the American farmer from the products raised by peasant labor on cheap land abroad?

The Democratic Party, as you know, took the tariff off a large part of farm products in 1913, and put them on the free list. A Republican

Congress passed the emergency farm tariff in 1921, and a Democratic President vetoed it. The Democratic minority in the next Congress in 1921 voted against the revived emergency farm tariff. The Republican majority passed it, and the Republican President signed it.

The Democratic minority voted against the increase of agricultural tariffs in the Republican tariff of 1922. Most of the Democratic Members of Congress voted against the increases in the tariff bill of 1930. Their platform enunciates the principle of "a competitive tariff for revenue." What that competition must mean is peasant labor and cheap lands. That is the kind of competition we don't want. Their candidate states that: "We sit on a high wall of a Hawley-Smoot tariff;" "sealed by the highest tariffs in the history of the world"—which incidentally isn't true—"a wicked and exorbitant tariff." He calls it: "a ghastly jest," and states that "our policy declares for lowered tariffs." This is surely a promise of reducing farm tariffs. They will reduce farm tariffs if they come to power.

When you return to your homes you can compare prices with foreign countries and count up this proposed destruction at your own firesides. There are at this minute 2 million cattle in the northern States of Mexico seeking a market. The price is about \$2.50 per 100 pounds on the south bank of the Rio Grande. It is \$4.50 on the north bank—and only the tariff wall in-between.

Bad as our prices are, if we take comparable prices of farm products today in the United States and abroad, I am informed by the Department of Agriculture that you will find that, except for the guardianship of the tariff, butter could be imported for 25 percent below your prices, pork products for 30 percent below your prices, lamb and beef products from 30 to 50 percent below, flaxseed for 35 percent below, beans for 40 percent below, and wool 30 percent below your prices. Both corn and wheat could be sold in New York from the Argentine at prices below yours at this moment were it not for the tariff. I suppose these are ghastly jests.

Now, the removal of or reduction of the tariff on farm products means a flood of them into the United States from every direction, and either

you would be forced to further reduce your prices, or your products would rot in your barns.

The opposition party has endeavored to persuade our farmers that increased tariffs abroad are the result of reprisals against the United States. There are a half dozen suppressions of truth in that statement that are of profound interest especially to the farmer. The first is that many increases in tariffs abroad took place before, and not after, our farm tariffs were increased. The second is that the restrictions on imports in most cases are not directed at the United States. They are for the purpose of reducing all expenditure of their people during their financial crises. The third is that if we survey the growls of some nations when our tariffs were changed, we find the objections in overwhelming majority were directed at the increase in our agricultural tariffs. American farmers are entitled to know this. The very object of our increases was to protect them in our home market.

The main thing that those countries want is entrance for their surplus agricultural products into our markets. Many of those countries would decrease their tariffs against our industrial goods tomorrow in exchange for reduction on their farm products to us, but that is no help to our farmer.

Now, the Democratic Party proposes that they would enter into bargaining tariffs to secure special concessions from other countries for the entry of American goods. They represent this to be in the farmer's interest. But I may tell you here and now that the largest part of the whole world desires to make only one bargain with the United States. The bargain these countries wish to make is to lower our tariff on agricultural products in exchange for lowering their tariffs on our industrial goods. American industrial leaders, realizing the needs of the American farmer, do not want to be a part of such bargains.

Now, all tariff acts contain injustices and inequities. That is the case in the last tariff bill. I have never said that tariff bill was perfect. Some people get too much, and some people get too little. But those of you who have followed the accomplishments of this administration will recollect that I secured in the last tariff act, 25 years after it had originally been advocated by President Theodore Roosevelt, the adoption of

effective flexible tariff provisions to be administered by a bipartisan body. That authority of a bipartisan Tariff Commission to revise the tariff is based upon a definite principle of protection to our people, and it is one of the most progressive acts which have been secured in the history of all American tariff legislation.

By maintaining that reform the country need no longer be faced with heartbreaking logrolling, selfishness, and greed which come to the surface on every occasion when Congress tries to revise the tariff.

This bipartisan Commission has now been engaged for over 18 months in an effective revision of the tariff. It has heard every complaint. It has found that many rates were just. It found some were too high and some too low. But if there are tariffs which are too high and result in damage to the American people, those tariffs can be readjusted by mere application to the Commission and the presentation of the evidence thereof. That tribunal is open to all the people.

Now, our opponents opposed this reform in tariff legislation. They passed a bill last session to destroy the independence of the Commission. They propose in their platform to destroy it. The reasons for this action are obvious. The bipartisan Tariff Commission has proved a serious political embarrassment to them. Either one of the Houses of Congress has the right to call upon the Tariff Commission for reconsideration of any schedule by a mere resolution. Notwithstanding their outcries against the 1930 tariff act, the Democratic-controlled House of Representatives, after being in session for 7 months, did not pass a single resolution requesting readjustment of a single commodity or a single schedule.

What the Democratic Party proposes is to reduce your farm tariffs. Aside from ruin to agriculture, such an undertaking in the midst of the depression will disturb every possibility of recovery.

Now, 4 years ago organized agriculture requested the passage of an agricultural marketing act. I called a special session of Congress to pass such an act and to increase tariffs on farm products. A distinguished board of men recommended by organized agriculture was appointed to administer the act, and they were given a capital of \$500 million to use for the benefit of the American farmer. Those

portions of the Board's activities which directed themselves to the support and expansion of cooperative marketing organizations have proved of great benefit to the farmer. Today over a million farm families participate in the benefits and organizations which flow from the Farm Board.

Now, I wish to state frankly the difficulties that have arisen under some other portions of the act. They arise mostly from the so-called stabilization provisions which never were and are not now the major purpose of the Farm Board. Even indirect purchase and sale of commodities is absolutely opposed to my own theory of government.

When the panic struck agricultural prices some 2 years ago, the Board determined that unless the markets were supported hundreds of thousands of farmers would be bankrupt by the sale of their products at less than the money they owed, less than the money they had already borrowed upon and that a thousand country banks would likely be closed and that a general panic was possible.

As a result of emergency purchases which they undertook, the prices of farm commodities were temporarily held and their fall cushioned. The farmers secured hundreds of millions of dollars of income which they would not otherwise have received.

Experience has shown that the patent weakness of such actions is the damaging aftermath which accompanies disposal of these products. I am convinced that the act should be revised in the interest of the farmer, in the light of our 3 years of experience, and that this particular provision should be repealed.

Now, for several years the United States Department of Agriculture has studied the complex social and economic problems which lie embedded in the general problem of land use. About a year ago these studies had reached such a point that the Secretary of Agriculture felt justified in calling a nationwide conference of farm leaders, economists, agricultural college authorities, to formulate a practical means of action. The broad objective of such a program is to promote the reorganization of agriculture so as to divert lands from unprofitable to profitable use and to avoid the cultivation of lands the chief return on which is the poverty and misery of those who live upon them.

The Republican platform contains a plank which constitutes the first declaration upon that subject. I shall be happy to support any sound program.

Now, 4 years ago, in this State, I gave assurance to the farmers and to our own people at large that one of the first policies of my administration would be the vigorous prosecution and completion of the inland waterway system and advancement of the Great Lakes-St. Lawrence seaway as a fundamental relief to Midwest business and agriculture. I am glad to report to you that more than twice the amount of work has been done on the waterways in the last 3 years than in any similar period in the history of the United States. I am also glad to report that after 20 years of discussion, of examination, and intermittent negotiation a treaty has been signed with Canada which only awaits ratification of the United States Senate and the Dominion Parliament for us to undertake that great contribution to the strengthening of the Midwest in its reaching out to world markets.

We have suffered from unprecedented droughts both to the north and to the south of you. Some other sections have been unable to obtain credit for seed and feed for livestock. Through various governmental agencies loans to the amount of about \$120 million have been made to over 900,000 of our families to rehabilitate their production and ameliorate that situation. Some of these families are in difficulties in making immediate repayment because of demoralized prices. I have seen to it that they are not unduly pressed.

Last April, I delivered an address to the conference of the Governors of the various States. I stated in effect that the most inflexible tax in our country is the tax on land and on real property generally. It is the least adaptable to the varying income of the taxpayers. I stated that in the present situation the taxes upon farms and homes and real property have become almost unbearable and that such taxes are wholly out of proportion to other forms of taxes. I stated then emphatically that there is no farm relief more needed today than readjustment of land taxes.

Now, the Federal Government collects no direct property taxes, but at that meeting I proposed that we should review the whole relations

of our tax system between the Federal, State, and local governments and seek a basis of taxation for each that would give opportunity for readjustments between our different forms of government. Such readjustments should be found which would enable the States to find other sources of tax revenue and would more equitably distribute the burden over the whole people. I announced last April that I would call tax experts of the Nation together to determine the methods we should pursue. I shall do so as soon as the national election is out of the way, and I shall then recommend methods to Congress.

The very first necessity in preventing collapse and securing recovery in agriculture is to keep open to the farmer the banking and other sources from which to make short-term loans for planting, harvesting, feeding livestock, and other production necessities. That has been accomplished indirectly in a large measure through the increased authority to the Federal Reserve System and its expansion of credits—also indirectly through the Reconstruction Corporation loans to your banks. It has been aided directly through the intermediate credit banks and especially through the 10 new agricultural credit associations which alone can command over \$300 million credit and which are now being erected and within the next week will be operating in all parts of the country. We are thus rapidly everywhere restoring normal short-term credits to agriculture.

In another direction upon my recommendation the Reconstruction Corporation has been authorized to make credit available to processors to purchase and carry their usual stocks of agricultural products and thus relieve a burden which was resting on farm prices because the farmer was forced to carry these stocks himself. But even more important than that, at my recommendation that Corporation has been authorized to make credits available for sales of farm products in new markets abroad. This is today and will, with increasing activity, I believe, extend immediate markets in relief of farmers and the price of products.

Now, the mortgage situation—that is, long-term credits—is one of our most difficult problems. On the 6th of October a year ago, I secured and published an undertaking from the leaders of both political parties that we should extend aid in this situation. In December we appro-

priated \$125 million directly to increase the capital of the Federal land banks, and we provided further capital to these banks through the authority of the Reconstruction Corporation to purchase their bonds when needed. The purpose was to enable the Federal land banks to expand their activities and to give humane and constructive consideration to those indebted to them who were in difficulties. In the large sense, it has pursued that policy. A little over 1 percent of the farms held under mortgage by the Federal land bank system today are under foreclosure, and these are mostly cases where men wished to give up.

The character of the organization of the joint stock land banks whose business methods are not controlled by the Federal Farm Loan Board has resulted in unjust pressure for payments in some of those banks. The basis of that organization should be remedied. We have sought to further aid the whole mortgage situation by loans from the Reconstruction Corporation to banks, mortgage companies, and insurance companies generally, to enable them to transmit consideration to their borrowing farmers. Indeed, as a result of these actions hundreds of thousands of foreclosures have been prevented.

But despite the relief afforded by these measures, the mortgage situation has become more acute. There must be more effective relief. In it lies a primary social problem.

I conceive that in this civilization of ours, and more particularly under our distinctive American system, there is one primary necessity to its permanent success. That is, we must build up men and women in their own homes, on their own farms, where they may find their own security and express their own individuality.

Now, a nation on such foundations is a nation where the real satisfactions of life and happiness thrive. It is where real freedom of mind and aspiration secure that individual progress in morals, in spirit and accomplishment, the sum of which makes up the greatness of American life. Some will say this is a mere ideal. I am not ashamed of ideals. America was founded upon them, but they must be the premise for practical action.

And for prompt and practical action I have, during the last month, or

at least in the developments of the last 2 months, finally secured definite and positive steps in coordination of the policies not only of the Federal agencies but of the important private mortgage agencies as well. These agencies have undertaken to give you their help in the solution of this problem.

But further and more definitely than this, I shall propose to Congress at the next session that we further reorganize the Federal land banks, and that we give to them the resources and liberty of action, which they do not today possess, which may be necessary to enable them definitely and positively to expand in the refinancing of the farm-mortgage situation where it is necessary to give men who want to fight for it a chance to hold their homes.

I cannot overemphasize the importance of the element of world stability in the recovery and expansion of our agricultural and other markets. This involves the promotion of good will, of disarmament, and of maintenance of peace. It requires the rebuilding of the credit structure within nations which have been forced off the gold standard or compelled to default or to restrict exchange. Until that is done there is a definite blockade upon the movement of commodities and upon the market for farm products. We have given aid in these things. That we may get to grips with these questions in the interest of agriculture and all of our industry and in the interest of world progress itself, I am participating in the organization of a world economic conference to be held late this year. Every intelligence the world can command will be concentrated on the rehabilitation of economic stability.

I shall send a representative of agriculture as a member of that world conference.

And in connection with agriculture, I may mention the question of war debts. I do not approve cancellation of these debts. I certainly do not approve the proposal of our opponents to lower our tariffs in order that by profits gained from a flood of goods into the United States this debt should be transferred to our workers by putting them out of employment and to our farmers by forcing their produce to rot in their barns. It would be better to cancel the debts than to do that.

In my acceptance address I stated the reverse of that proposal. I said that:

"If for some particular annual payment we are offered some other tangible form of compensation, such as the expansion of markets for American agriculture and labor and the restoration and maintenance of our prosperity, then I am sure our citizens would consider such a proposal."

I am prepared to go farther. I am prepared to recommend that any annual payment on the foreign debt be used for the specific purpose of securing an expansion and an opening of the foreign markets for American agricultural products. There is justice in that, for the difficulties inherited from the war are part of the agricultural difficulties at this moment. Now, that is a proposal of more importance to the farmer than many a panacea.

In the advancement of agricultural prices from the depression the first fortress to take and to hold was the increased tariffs on farm products. This is, of course, what would be surrendered if our opponents had their way. The next move in the battle for improved prices was to stop the general deflation. By deflation I mean the lessening of market values and prices for land, products of the land, manufactures, and securities and everything we possess. That battle has been won. The next attack on this front is to reverse these processes of deflation and bring things back to their real values. That battle is in progress, and we must all move together.

The Government is giving aid by its vast constructive program for agriculture, for commerce, and for industry. Through the renewed flow of credit for industry and by direct measures of employment, by the great cooperative movements which we have instituted in commerce and industry, for attacks all along the line, we are returning men to work. Every new man reemployed is a greater purchaser of farm products. Wherever we properly can, without entangling ourselves in political difficulties, we are and should join in the rehabilitation of the world and thereby the foreign markets for agricultural products. Now, I come to you with no economic patent medicine especially compounded for farm-

ers. I refuse to offer the counterfeit currency or false hopes. I will not make any pledge which I cannot fulfill.

As I have stated often before, in the shifting battle against depression we shall need to adopt new measures and new tactics as the battle moves on. The essential thing is that we should build solidly and soundly for the future. My solicitude and willingness to advance and protect the interests of agriculture is shown by the record. Protection and advancement of this industry will have my continued deepest concern, for in it lies the progress of all America. It was in this industry that I was born.

The battle against depression is making progress. We are still faced with forces which render 10 million men idle and agriculture prostrate. We have forged new weapons, we have turned the tide from defense to attack. I shall continue that fight. It calls for that cooperation, for that courage and patience and fortitude with which our fathers conquered these prairies.

Now, in conclusion, my friends, there are many other subjects of vast importance to our country. The farmers of America are not selfishly interested in their own industry alone. They are Americans with the same concern for the welfare of the Nation in its multitude of other problems at home and abroad. Time does not permit of their exposition tonight. The issues are grave; the stake is great.

These issues rise above the concern of an ordinary campaign. Our cause is not alone the restoration of prosperity. It is to soundly and sanely correct the weaknesses in our system which this depression has brought to the surface. It is the maintenance of courageous integrity in political action and in government. It is the holding of this Nation to the principles and ideals which it has had from its very beginning. It is to make a nation of free men and women.

Finally, let me deal for a moment with an ultimate reality. I have had to describe the complicated processes of currencies and taxation and other dreary things. They are but the tools we use to manage the processes by which we answer the old, old question, *wherewithal shall we live?* They are necessary tools, but they are not an end in themselves. Our toils and cares are for a higher purpose.

We are not a nation of 120 million solitary individuals, we are a nation of 25 million families dwelling in 25 million homes, each warmed by the fires of affection and cherishing within it a mutual solicitude for kinfolk and children. Their safety is what we are striving for. Their happiness is our real concern. Our most solemn hope for them is that they may share richly in a spiritual life as well, that puts them not only at peace with their fellows but also in harmony with the will of a beneficent Providence.

Out of our strivings for material blessings must come safety for homes and schools and churches and holding of national ideals and the forming of national character. These are the real aspirations of the American people. These are the promises of America, and these promises must be fulfilled.

NOTE: The President spoke at 7:30 p.m. to an audience of 10,000 people. The address was transmitted over public address systems to overflow groups assembled in the Shrine Auditorium and on the State House Plaza. The National Broadcasting Company and the Columbia Broadcasting System radio networks carried the address to the Nation.

The above text is a transcript taken from a sound recording of the address.

323

Remarks at the Shrine Auditorium
in Des Moines, Iowa.

October 4, 1932

THE PRESIDENT. I am glad to have the opportunity to express here to you my appreciation of your welcome. In the reception I have had from the people of my own State, I have seen evidence of that friendliness which warms one's heart. First in the escort provided by the veterans from every town and village in the State, the splendid reception at the Coliseum, and now your own gathering, and if I might judge from the response to my remarks, they are all good, hard-working Republicans.

BYSTANDER. And Democrats too, Mr. President.

THE PRESIDENT. Well, you are welcome in our fold. Again, I thank you for your patience in listening, and I am depending on your help.

NOTE: The President spoke to an audience of approximately 3,000 people. The President went to the auditorium following his address at the Coliseum.

324

Remarks at the State House Plaza
in Des Moines, Iowa
October 4, 1932

I SUPPOSE you have been listening a long time to what I have to say, and there is not much I can add that would help at this hour of night. On the other hand, I am glad to have opportunity to tell you how much I appreciate the welcome you have extended to Mrs. Hoover and me on return to our native State. We have seen today nothing but the outpourings of affection and welcome. I cannot recall any time in my life when I was so stimulated and encouraged as by the support I have found here in my home State.

I thank you.

NOTE: The President spoke to an audience estimated at 2,500 people. The President visited the plaza following his remarks at the Shrine Auditorium.

325

Remarks to Iowa Newspaper Editors
at the Fort Des Moines Hotel.
October 4, 1932

My friends:

I thought perhaps if you had been listening to me for the past 2 hours you had enough. I confess to the feeling, whenever I come before editors, that an amoeba must have when looked at through a microscope. I inquired of Mr. Spangler as to what I should say, and, having

exhausted the subject on my own mind, he suggested that I talk about an entirely nonpartisan subject, such as my early life in Iowa.

I can always talk about that with pleasure and with cheerfulness because I do not know much of anything that happens to a small boy in Iowa that is not really cheerful. It is a life of more nearly complete joy than any other form of existence I can imagine; especially in the small towns and on the farms the varied landscape, shifting scenes, working in the fields and the thousand adventures there are in creeks and woods, filled with the real joy of living.

As you know, I grew up in a Quaker community where there were many restraints. They were not exerted so strenuously as some people think. The maximum extent to which it went was the complete inhibition on the Youth's Companion which was at that time considered a journal of misleading guile which a youth should not have. Consequently, my brother and I used to walk the half mile to the market where they were not Quakers to read it.

But there were characteristics of that village which have long since passed away with that generation. As you know the Quakers had an old-fashioned meetinghouse where they were divided as to the sexes. I have a vivid recollection of an elderly Aunt Hannah who delivered herself one day very emphatically on the subject of increasing wickedness of the world. Particularly on certain semidoctrinal schisms in the fold, and she prophesied that if these habits were followed the day would come when that meetinghouse would be turned into the mockery of a theatre. That was the worst thing she could think of. I went back 25 years later and to my astonishment her prophesy had come true. The community had become affluent enough to build a better meetinghouse, and they had moved the old one across the street and changed it into a moving-picture house.

I have recollections of other restraints. An uncle of mine who was a little wayward went away to the county seat and was discovered smoking a cigar. I have a keen recollection of all that happened when he returned as he had extreme difficulties with all in the meeting, and

we children were much excited as to whether or not he might possibly be hung.

You see there were limitations, but really there were no limitations on the joys of small boys. The swimming hole, rabbit chasing and all—and I don't know of anything that rises to greater heights in sportsmanship than chasing a rabbit through the snow to his lair, and never greater human valor than bringing him home alive.

The wonders of Iowa to a 10-year-old are greater than any of you appreciate. You live in the community, and they fade out and you perhaps do not get the vividness that I do in having to remember them. My early visions of the railway track is of a vast area containing the most important stones in the world in the shape of agates and corals. If you worked with them on a grindstone for hours and polished them you could show them off to great advantage if you just licked them with your tongue.

In any event, Iowa is a mystery to me. Within the geographical boundary of the most fertile piece of soil in the world, nothing compares with its wealth of productivity. God gives to us every year a most magnificent return for human labor and yet a manmade mess defies even the work of Providence in aid to mankind. Everything has been given to your State that could be given in natural resources and other possibilities, and yet we prove ourselves unable to capably administer it. We have that problem in front of us at the forthcoming election, of more gravity to the American people than any we have met since the Civil War.

I thank you.

NOTE: The President spoke to the editors following his visit to the State House Plaza.

In his remarks, the President referred to Harrison E. Spangler, Iowa Republican national committeeman.

326

Rear Platform Remarks in Fort Wayne, Indiana.

October 5, 1932

I DEEPLY APPRECIATE your reception and your expressions of confidence and approval. In the enthusiasm of the many receptions on this trip and in the remarkable reception in Des Moines yesterday, I see a rising resolution and a stern determination to fight to a finish for the continuation of constructive action in this emergency and for the preservation of fundamentals in our Government. That is a mission for every one of you individually.

I wish to take the occasion of this meeting to say a word to you and to all the people of the great Midwest. During my public life, I have believed that sportsmanship and statesmanship called for the elimination of harsh personalities between opponents. On this journey, however, I have received a multitude of reports as to the widespread personal misrepresentations which have been promulgated in the Midwest in the past few weeks. I regret that the character of these personalities necessitates a direct word from me.

I shall say now the only harsh word that I have uttered in public office. I hope it will be the last I shall have to say. When you are told that the President of the United States, who by the most sacred trust of our Nation is the President of all the people, a man of your own blood and upbringing, has sat in the White House for the last 3 years of your misfortune without troubling to know your burdens, without heartaches over your miseries and casualties, without summoning every avenue of skillful assistance irrespective of party or view, without using every ounce of his strength and straining his every nerve to protect and help, without using every possible agency of democracy that would bring aid, without putting aside personal ambition and humbling his pride of opinion, if that would serve—then I say to you that such statements are deliberate, intolerable falsehoods.

NOTE: The President, en route to Washington, D. C., spoke to an audience of approximately 2,000 people.

327

Message of Sympathy to Emperor Hirohito
on the Death of Three Japanese Aviators.

October 5, 1932

I DESIRE to extend to you and to the people of Japan my deep personal sympathy, which I assure you is shared by all Americans, in this time of anxiety over the fate of the three Japanese aviators, Homma, Baba, and Ishita. It is our sincere hope that these courageous men may yet be found. I assure you that this Government has done and is doing its utmost to assist in the search and I pray that this search may be successful.

HERBERT HOOVER

[His Imperial Majesty, The Emperor of Japan, Tokyo, Japan]

NOTE: On September 24, 1932, Kiyoshi Homma, Eiichiro Baba, and Tomoyishi Ishita took off from Samushiro, Japan, on a good-will flight to San Francisco. They were last reported over the Kurile Islands and were never found.

328

Radio Address to the Women of America.

October 7, 1932

I AM GLAD to have this opportunity to talk directly to the women who are organizing the support of the administration in this election. We have passed through 3 years of strain, of depression unprecedented in its sweep and suffering. Our people have suffered great losses. The gravity of the issues of the campaign affect women and men equally. When the women of America attained the vote they naturally forced certain questions into wider attention of the Nation. These were questions of education, home protection, and child welfare. You are interested in even wider fields. I do not minimize the importance of women in the home. That is the very heart of life. But on November 8, you will be confronted with issues that will determine the future hopes of America

for many years to come. The attainment of the vote also contributed an increased quality of idealism and spiritual purpose to all national issues. I can add that I have observed in public discussions in this campaign that women take a longer view of national life than a great many men.

To build the home, to give a chance for better education for children and to gain a fuller life—this is, I conceive, the dream of every American mother. Courage and high hope and faith builded the greatness of America yesterday. Courage, high hope, and faith, with wise action on November 8, will build a still greater America tomorrow. To achieve this purpose I am asking you to consider with me some of the problems confronting our Nation.

Three great tasks lie before the Nation. The first of these is the battle for recovery from this depression which is now in the stage of winning counterattack on a long-extended front. Second, we must correct economic weaknesses and wrongs which have been brought vividly to the surface in the depression. We must set up protection against recurrence of these terrible calamities for the future. Third, we must advance political and social organization for the accomplishment of the real purposes of life, which are security and independence of the family and the home, wider opportunity, and equal opportunity for the individual, the development of moral and spiritual equality in the Nation, the strengthening of national ideals and national character. We must upbuild the moral leadership of America in the world.

The election on November 8 is of deep seriousness in its consequences to this future. It will not only determine whether proven measures now winning this battle against depression shall be exchanged for unknown experiments, but it will determine the course to be pursued by the Nation for many years to come in the solution and advancement of these great questions. The women will be voting not alone on one issue but on all these issues. Twenty years from now, 30 years from now, and a century from now there will be an America. What sort of an America concerns you at this critical moment.

In immediate matters of the depression men and women are equally affected. But on you, the women, falls the full anxiety of the direct effect of the impact of burdens upon the home. Moreover, some 10

millions of you are engaged in gainful employment, so that employment not only presses indirectly but it also presses directly upon you through loss of your jobs. In thousands of homes you have had to undertake the whole responsibility as the only breadwinner. You are gallantly carrying that burden. It is certain that if it were not for your earnings the depression would have brought greater suffering to a multitude of families. Whatever the different burdens of men and women may be, recovery from the depression is the same for both.

The forces moving against our people from outside our borders proved to be beyond the control of a single individual or a single institution. In such emergencies the Government, which must represent the whole people, has been faced with one or two alternatives. The first, to do nothing, which would have meant degeneration over a score of years, with dangers to every one of you and to our very national life. That I refused to accept. The second was for the Government to adopt an unprecedented emergency program fitted to the battle as the forces developed against us, but holding absolutely to proven principles, preserving the safety of American ideals and the future of American life. This course we have taken. The emergency measures now in action represent an unparalleled use of national power to relieve distress, to hold jobs and make more jobs, to serve agriculture, to preserve the stability of our institutions and maintain the integrity of our Government.

And they include not only the official powers of the Government. I have used every influence of the Presidential office to mobilize and organize the whole community in cooperative action in attack to overcome the depression in a score of directions which can be attained through the combined initiative of individuals and communities.

Our policies in protective tariff have saved our people during this depression from enormous increased unemployment of labor. They have saved our farmers from even lower prices due to competitive products from abroad because of the breakdown in living standards and currencies in foreign countries. Our opponents would loosen these destructive forces upon us. Our policy of practical stoppage of immigration has saved the loss of hundreds of thousands of jobs during this period

of stress. Our opponents have given no indication of their intentions upon this question.

In our emergency governmental measures, we have adhered to the principle of bringing government aid to our people through already existing institutions. We have confined it to those institutions definitely affected with public interest, not to save their owners—although they too represent millions of our people and should have our concern—but for the final purpose of protecting the whole people in holding their homes, their farms from loss through debt, to protect their savings deposited in banks, their insurance policies, to promote their employment. We have won that safety for them and for you.

The measures and weapons we have set up to break the depression may appear to the eye as cold, mechanical things. If they are analyzed, however, in their ultimate result they are effective and human things. They have real hearts behind the mechanism designed to create precious human blessings as their product. Many of you have seen the savings of a family's lifetime, slowly accrued to secure comfort and independence in old age, swept away by the failure of the bank where they were kept. You have seen foreclosure of mortgages on farms and homes at your own towns, not from lack of security but from the inability of institutions to renew mortgages because of the demands upon them. Records of thousands of such pitiful incidents have passed over my desk and have deeply touched my sympathies. But sympathy alone does not save lives and property when the house is burning. Fire engines, hose, and axes have to be brought. They too are cold and mechanical contrivances, but they are the only effective instruments of human helpfulness which is eager to protect and save. It has been my duty in this emergency to devise such mechanical but effective instruments to save homes and jobs.

Governmental institutions in a democracy move slowly, but the work of one of these agencies can be well illustrated by the fact that in the 2½ months between my recommendation to Congress for the creation of the Reconstruction Corporation and the time it was actually enacted into law and established, the net bank failures, measured in terms of deposits were about \$499,700,000. In the 2½ months following the estab-

lishment of the Corporation the bank failures decreased to \$29,400,000, or by 94 percent. In the last 2½ months banks which have reopened have, in terms of deposits, actually exceeded deposits in closed banks by \$15 million. This represents the protection of literally millions of families from the despair of loss of their savings, protection to millions of others from being crowded to the wall of bankruptcy through demands for payment of their debts which they could not meet without the sacrifice of everything they possessed.

This pledging of national credit has saved thousands of our benevolent trusts and the endowments of our great educational institutions upon which the future development of our national life greatly depends.

As a further instance of the great instrumentalities we have brought to bear in this great battle, I would cite to you not only the Reconstruction Corporation but also the newly established system of home loan banks which function through the great mutual thrift institutions of America, the building and loan associations, savings banks, and insurance companies, all of which hold mortgages on over 5 million different homes. This mechanism by pooling the lending resources of the Nation will obtain for them the supply of credit which will bring to an end the tragedies of foreclosures and reopen opportunity for men and women to acquire homes, while destroying nothing of the individuality and character of these institutions. We have also strengthened the mortgage institutions upon which farmers are dependent. We shall strengthen them further.

It is the organized women who can interpret the working of these agencies in their human results to the individual and to the family. Throughout these measures we have insisted upon maintaining the fundamental principle of American life, that we should not use the Government to destroy or replace the functioning, the enterprise, or responsibility of individuals or institutions. We are aiding them across an emergency. We will withdraw these agencies except the home loan banks when the battle is won. We will leave the initiative and the enterprise and the courage of our people unimpaired. The home loan banks not only serve an emergency but they are also continuous, permanent institutions which will provide the machinery through which

it will be more easy in the early years of their married life for men and women through their combined effort to acquire homes in which to rear their children and to retain that home for comfort and security in their old age.

I desire that you should study and compare the whole program that we have set during the past 3 years for meeting and overcoming the depression with the proposals of our opponents. The program of their party has had its only true expression in the measures which they introduced or passed through the House of Representatives, which was fully controlled by the Democratic organization during the past session. I would ask you to ponder carefully upon the Collier bill, passed on January 9; upon the Gasque bill, passed on March 4; upon the Goldsborough bill, passed on May 2; upon the treatment they accorded to the recommendations of the administration for economy in the bill passed on May 3; upon the Garner-Rainey bill, introduced on June 3; upon the Patman bill, passed on June 15; upon the Rainey bill passed on July 7. These measures would have put a burden of \$3,500 million upon the country. They would have created enormous issues of fiat money. They would have destroyed the effectiveness of the Tariff Commission. They would have led us to place the fate of American workers and American farmers in the hands of foreigners through placing our tariff subject to foreign determination. They would have put the Government into wholesale personal banking. They would have broken down every safeguard that we have established to prevent pork-barrel legislation. Had we not been able to stop these measures, they would have destroyed recovery. They would have thrown us from the foundations of 150 years of careful upbuilding.

Passing from the immediate battle against depression, the second great series of constructive measures before us which I have mentioned are those which will be necessary to correct abuses and weaknesses in some of our economic machinery which has been so vividly exposed during this depression. You are well aware that for 40 years, and in some cases 100 years, the Federal and State Governments have regulated the insurance companies, savings bank and other financial institutions. They have also regulated the railways, the electrical, gas and

other public utilities. All these agencies have been fully accepted in American life as having a public and human interest beyond the sole question of their right to competitive profits. As a result of weaknesses which have developed we must have constructive revision of these regulations in a form that will not destroy but will give greater service and greater security to the whole people. The spirit in which we must develop these remedies and reforms is the preservation of initiative of our people, that we should punish and prevent wrongdoing, not that we should destroy them by our Government foisting great bureaucracies upon the country which only deaden and do not heal. We must not lose faith in the ability of democracy to be master of its own house without burning it down because some men have proved unfaithful to their trusts.

These are all things of direct importance to women for they involve the long view of holding open equality of opportunity for the future of our boys and girls. I have presented such measures to a Democratic House without response from them except speeches in this campaign.

Another of our great problems is the safeguards which we should erect against recurrence of such calamities.

This is a primary necessity to the future of the Nation. We cannot as a people run the risk of having our whole civilization degenerate by such recurrences. There is a fundamental source of prevention which has been too much overlooked in this campaign. No one will deny the fact that such a depression would never have taken place had it not been for the destructive forces loosened by the Great War. If we are to assure that our country shall not be wracked and endangered by such calamities as we have gone through in the past few years, the first measure for safety is that we should have peace in the world. We have, therefore, a vital part to play in the setting up of machinery and in striving to replace war and force with peaceful settlement of controversies between nations. We properly refuse to entangle ourselves in age-old controversies in other parts of the world. Our face is turned forward, not backward. I have taken the position that we will not participate in trying to compel people to engage in settlement of controversies by the use of force.

The Kellogg Pact, which was established largely by my eminent predecessor, has been advanced by this administration to a point now accepted by the world as of far greater potency than was even contemplated at the time of its inauguration. Under the policies we have advanced we have definitely secured that the public opinion of the world will be mobilized and concentrated against those who violate that pact. We have advanced the further doctrine that the world should not recognize the benefits that any nation may obtain by its violation. By these new concepts we advance the settlement of controversies by peaceable means, and we keep the United States free from the dangers of war. They are the true expressions of moral leadership of the United States.

In order to further attain these safeguards against war, I have initiated a vital plan for the reduction of armaments throughout the world. By the acceptance of these proposals the world will be relieved of an enormous burden of taxes which in the last analysis are paid by the laboring men and women whether in the home, at the shop, or at the desk. I have proposed methods of disarmament which would make it harder for one nation to attack another and easier for one nation to defend itself from aggression of another. And thus we build up a sense of security amongst nations. We reduce the fears and apprehensions and hates which in themselves lead to constant instability in the world and ultimately to the dangers of war.

And another, and not the least amongst the many questions of the long view of the future and those which the enfranchisement of women have advanced to public understanding and insistent action, is the question involving development of education, the protection of children, the upbuilding of home life and its security. Men approach these questions also, but you approach them instinctively with a surety of judgment.

Two years ago, when I began to organize the White House Conference on Child Health and Protection and to find in the country those individuals who could take up the hard drudgery of committee work, to determine facts and draw conclusions from them, I found that the great majority fitted for that work of leadership, by skill and experience, were the women. Again, when I organized the Conference on Home Owner-

ship and Home Building, it was necessary to create similar research committees to present conclusions to the Conference. Again the skill and spirit was found largely among the women. Both these conferences brought high results in the advancement of public thought. They are already ringing through our national life in concrete public action.

The Nation is faced with many other grave problems, many of which reach the very foundations and hopes of America for the future. I know from experience the power of women to help decisively in the solution of such great national problems through their capacity for definite organization and support of unselfish and patriotic causes.

Today I would ask the women of America to study deeply the issues before the Nation. Upon your actions rests a large measure of the responsibility for the future of our country. Upon those of you who are taking an active part in the work of the Republican Party in this campaign falls a major share of responsibility that the issues be clearly understood. I ask every woman everywhere who believes in our cause to join actively in it from today to the election. I not only express my very deep appreciation of your fine and unselfish efforts, but my confident hope that your continued efforts will gain a final success next month.

Turning from these questions I should like to express a further thought. We are emerging from this depression. We shall continue if our constructive policies are maintained. One of the greatest things that might come from this 3 years of depression would be a realignment of public thought about the realities of living. And if we do get that out of it, the depression will yet be worth all it has cost. In the last few years our purpose has been largely to pile up money. We have reveled in huge figures with dollar signs before them, in the fascination of enormous numbers. We have been fond in these times of talking about our tremendous losses in terms of these dollar signs. We have not paused to reflect that these dollar signs represent only our homes, our churches, our schools, and the great tools of our factories, our farms and our railways, whose only purpose is to serve the home and the purpose of living itself.

The true purpose of living is to find a continuing expansion of the powers of body and mind, a noble outlet for the exercise of these powers,

to place ourselves in tune with the purpose of an Almighty Providence. The proper aim of education is growth. The proper aim of money-making and saving is to assure us relief from bondage and fear for our daily bread so that we may have time and means to enlarge our knowledge, to give a more generous response to the promptings of the spirit. The proper aim of our Government is to preserve equality of opportunity, to hold open the door of opportunity that there may be an expression of the creative power of our people by rewards distributed on the basis of service and effort. Our economic life should be viewed in this philosophy as a means to a high and worthy end.

Good government is the gift of good people to themselves for the fountain of social justice cannot rise higher than its source. The times call for a soul-searching reexamination of our national purpose in life. We shall call in vain on others to be patriotic if our own patriotism has failed. We shall demand good government in vain if we neglect our own duties in the precinct and at the polls.

NOTE: The President spoke at 3:15 p.m. from the Cabinet Room in the White House. Mrs. Alvin T. Hert, vice chairwoman of the Women's Division of the Republican National Committee, introduced the President.

The National Broadcasting Company and the Columbia Broadcasting System radio networks carried the address.

329

Statement on National Pharmacy Week.

October 8, 1932

NATIONAL PHARMACY WEEK, which occurs this year October 10th to October 15th, serves to remind the people of the invaluable service performed by the druggists. Their scientific skill in compounding the remedies prescribed by physicians makes them indispensable to the healing art. The rigid standards of excellence of products and of high professional integrity deserve wide-spread appreciation.

HERBERT HOOVER

330

Message to the Founders' Day Celebration
of the Young Men's Christian Association.

October 8, 1932

THE YOUNG Men's Christian Association has been a tower of moral strength in every community since the earliest childhood recollections of most of the men and women now living, and thus it is almost startling to be reminded that the founder of this great organization, if he were living today, would be only eleven years older than a centenarian. The celebration of Founders' Day on October 11th will be the occasion for much historic and personal reminiscence of that great man, George Williams, and of the stupendous spiritual, educational and material blessings wrought by the association born of his vision and firmly rooted in his indefatigable labors and his optimistic spirit. To the youth of our land, indeed of all the world, it will be a day reminding them of the possibilities of service to millions of others that lie in unselfish application of spiritual insight, devoted industry and warm good-will toward all one's fellowmen.

HERBERT HOOVER

[Mr. Claiborn M. Carr, Jr., The Daily Tar Heel, Chapel Hill, N.C.]

NOTE: The message was released in conjunction with the announcement of plans for the day of celebration. George Williams organized the first Y.M.C.A. in London in 1844.

331

Statement on Columbus Day.

October 8, 1932

THE ANNUAL CELEBRATION of Columbus Day serves not only to commemorate the glorious achievement of the great discoverer but also to remind the millions of his compatriots who have followed him to these shores of the blessings they have found in this land of hope and

opportunity. They on their part have enriched our national life in terms of art, letters, and many of the most useful constructive occupations. I send them my cordial greetings.

NOTE: The Republican National Committee released the statement on October 8, 1932. It was read on October 12 as part of the Columbus Day ceremonies held at Columbus Circle in New York City.

332

Message to the 116th Street Synagogue in New York City.
October 9, 1932

[Released October 9, 1932. Dated October 6, 1932]

I SEND HEARTY congratulations to the congregation of the One Hundred and Sixteenth Street Synagogue upon their celebration of the 25th anniversary of its founding, and every good wish for success in continued helpfulness in the field of spiritual inspiration which has always been a major contribution of the Jewish race to the world.

[Morris Engelman, Secretary, Silver Jubilee Committee, The One Hundred and Sixteenth Street Synagogue, 18-22 West 116th St., New York City]

NOTE: The message was read during a silver jubilee program at the synagogue.

333

Message to the Chenango County
Republican Women's Education League.
October 9, 1932

[Released October 9, 1932. Dated September 19, 1932]

I SEND CORDIAL greetings to your committee, and my warm appreciation of their invaluable cooperation in carrying forward the high ideals of the Republican Party. The battle will be won by such aggressive campaigns as you are waging.

HERBERT HOOVER

[Mrs. Olive J. Gould, Chairman, Educational League, Delphi, New York]

502

334

Message to President Lin Sen
on China's Independence Day.
October 11, 1932

ON THIS ANNIVERSARY of the inauguration of the Chinese Republic, I send to Your Excellency sincere felicitations and best wishes both on behalf of the people of the United States and in my own name.

HERBERT HOOVER

[His Excellency Lin Sen, President of the National Government of the Republic of China, Nanking, China]

335

Address to the American Bar Association.
October 12, 1932

I BID YOU a hearty welcome to Washington. You meet here under circumstances which must stir the deepest springs of your professional pride. The Supreme Court of the United States represents the summit of eminence in the legal profession. It likewise stands as an equal with the Congress and the Presidency in the solemn responsibility of exercising the highest powers of government on this Earth. And tomorrow you will share in dedicating a new building to house this great tribunal. For the first time in the history of our country, the Supreme Court is about to occupy a temple of surpassing beauty, a symbol of its independence, and an expression of its equal power in the final will of a great Nation.

I therefore understand your feelings in coming here tonight. I am in tune with them. As a fellow citizen, I share them. For though I am without the technical training of a lawyer, long responsibilities at home and abroad have taught me something of history and something of government. I therefore share the common knowledge of the special blessings which we enjoy in this country, by which men and women are

safer in their persons and their liberties and more secure in the peaceful possession of their property in this land today than they are in any other time or place in all history. I assert this with full consciousness of many deficiencies of lawyers and of the law and its execution. In spite of these, the statement holds. This ordered liberty, under law, is the codification of the instincts of our people, and that codification has been largely the work of the legal profession. This freedom of men and women peacefully to pursue their business and the rearing of their families, with scarcely ever a thought of danger or duress, is a monument to the intelligence of our people and to the skill, thought, and good conscience of lawyers who have served to formulate it in the legislative bills on the bench and at the bar. For this they have deserved the gratitude of mankind.

It is also appropriate that this special recognition of the place of the Supreme Court in our Government should be given in this bicentennial year of commemoration of the birth of George Washington. The men on whom he leaned heavily in the onerous task of erecting an effective government to replace the weak structure of the Confederation were chiefly men trained in the law. Hamilton, Adams, Jefferson, Madison, Marshall, Monroe—the list of Constitution builders is too long to repeat. They represented the genius of our people. They combined the knowledge of history the knowledge of human nature, and the knowledge of the mechanics of law and government necessary to devise a workable machinery to govern the complex relations of men in an orderly society. And that machinery has proved by succeeding generations to have had no less than divine inspiration.

Here I wish to interject a word of admonition. These men did not limit themselves to the practice of their highly technical profession, necessary as that practice always must be. Before they were great lawyers they were great citizens. Their interest ran beyond their briefs and their precedents. They took a hearty share in the full life of the day. They felt keenly their responsibility for leadership. Their special gifts, their special training, were needed not only in the courtroom but in the administration of public affairs. The very ablest of them accepted this duty, and took their places in the legislatures, the Congress, and the administration,

conscious that their full duty as lawyers required them to see that good laws must first be enacted if justice were to be done when those laws arrived in the courts for execution. But their services as citizens did not begin and end in the legislatures where laws are made. Back of legislatures is the life of the people. It is in the consciences of the people that laws are first born. These great men therefore accepted the duty of developing and guiding public thought itself. They were indefatigable letter-writers, they spoke to the people from the platform and in the public halls. They debated the great public issues, contributing their knowledge and ideas and ideals to the formation of the public opinion. Since the press in those days was relatively feeble, it is hardly too much to say that the lawyers and the clergy chiefly molded the early thoughts of this Nation and gave us the institutions under which we have flourished for a century and a half.

Let me, therefore, say to you that the country still needs you to share fully in this task of forming and leading public opinion. You have a powerful new ally today in the press, but I frankly feel that too often the finest representatives of your profession abandon the field to less useful members of your craft and to other agencies which, useful as they are, still lack your special knowledge of the history and art of human relations.

There is an especial timeliness in this observation. Today, perhaps as never before, our very form of government is on trial in the eyes of millions of our citizens. Economic stresses of unparalleled magnitude have wracked our people, and in their distress some are tempted to lay the blame for their troubles upon the system of government under which they live. It is a not unnatural instinct however mistaken it may be. It can be a dangerous thing, if wise and trusted men fail to explain to the people how often in history the people's interests have been betrayed by false prophets of a millenium, promised through seductive but unworkable and disastrous theories of government. The menace is doubled by the fact that these vain allurements are today being offered to our harassed people by men of public reputation in economics and even by men in public life. No man can foretell to what lengths the pressure of public clamor may at any time be brought to bear upon those

charged with the processes of government to yield to changes which you know, before they are tried, would destroy personal liberty and sweep away the security of savings and wages built up by centuries of experience. All progress and growth is a matter of change, but change must be growth within our social and governmental concepts if it should not destroy them.

You have your duty in this area to expound the history of the painful past through which rights and liberties have been won, to warn of repetitions of old and fatal experiments under new and glamorous names, to defend our system of government against reckless assaults of designing persons. It is your task to prove again what none knows better than you, that the very citadel of the rights of the poor against the oppression of rulers and against the extortions of the rapacious is the judicial system of the country, and that the impregnable apex of that system is the Supreme Court of the United States. It is impregnable because its membership in successive generations down to this moment has comprised the highest character of our land who, preserving its great traditions, have armored it with the moral support of the people, and thus, without physical power or the need of it, is able to stand equal and alone against legislative encroachment upon the people's rights or executive usurpation of them, and, more precious than either, against private injustice and the enactment of public laws in violation of the fundamental protections of the Constitution.

These deviations from steadfast constitutional limitations, which I have last named, are of paramount significance in these times of growth and change. The last 50 years have witnessed a progress in expansion of business and industry unmatched in any five centuries of previous history. The United States has been in the forefront of this progress. Inventions in transportation, communications, and factory production have multiplied the conveniences of life and have widened the fields of human intercourse immeasurably. Economic forces have spread business across State lines and have brought new strains upon our Federal system in its relationships with the State sovereignties. Laws that once were adequate to control private operations affecting the public interest proved unequal to these new conditions. Regulation and control were more than

ever necessary. In the readjustment of Federal laws to State laws required by this situation, the Supreme Court has played a part of incalculable practical value. Without its prestige, without its independence, without its wisdom and power, these delicate alterations could not have been effected except at tremendous costs of injury to our people and of excessive disturbance of political equilibrium. But for the success with which this transition to large Federal regulation over interstate commerce was accomplished, the development of our great system of economic production would have been delayed, individual rights would have been trampled down, and our system of State authorities within the Union of Federal Government could scarcely have survived with all its values of local control of local issues.

We have long recognized that certain functions in our economic life are affected with public interest, which requires that their activities shall be in some measure controlled by government, either State or Federal, in protection of the citizens. In that situation we have sought to find a bridge between these controls and the maintenance of that initiative and enterprise which assures the conduct and expansion and perfection of these functions.

One of the great good fortunes of our form of government is that in the 48 States we have 48 laboratories of social and economic experimentation. But, as I have said, many of these activities—particularly those of banking and finance, of transportation, communications, and power—have expanded beyond State borders. It has become necessary during these years to develop gradually increasing burden of Federal control. With growth and experience, these regulatory functions require constant revision: On the one hand that we may prevent wrongdoing and give justice and equality of opportunity to our people, and on the other that we should not stifle these vital functions and services through the extinction of that enterprise and initiative which must dominate a growing organism.

And here lies also one of the most delicate relations of our Republic. We must maintain on the one hand a sense of responsibility in the States. It is the local communities that can best safeguard their liberties. We must therefore impose upon the States the maximum responsibility

in these regulatory powers over economic functions. It may be even necessary in the long view of the Republic that the people of some States whose governments are negligent of the interests of their own people should be inadequately protected rather than destroy the initiative and responsibility of local communities and of all States and undermine the very foundations of local government. On the other hand, we must be courageous in providing for extension of these regulatory powers when they run beyond the capacity of the States to protect their citizens.

In the ebb and flow of economic life our people in times of prosperity and ease naturally tend to neglect the vigilance over their rights. Moreover, wrongdoing is obscured by apparent success in enterprise. Then insidious diseases and wrongdoings grow apace. But we have in the past seen that in times of distress and difficulty wrongdoing and weakness comes to the surface and our people, in their endeavors to correct these wrongs, are tempted to extremes which may destroy rather than build.

In the separation of responsibilities between the Federal and State Governments on matters outside of the economic field we have constantly to resist the well-meaning reformer who, witnessing the failure of local communities to discharge responsibilities of government, to extinguish crime, and to set up agencies of government free of corruption, to move apace with the thousand social and other advances which the country sorely needs, constantly advocates and agitates that the powers of the Federal Government be applied, that we may have a rigid uniformity of reform throughout the Nation. Yet even here it is better that we should witness some instances of failure of municipal and State governments to discharge responsibilities in protection and government of their people rather than that we should drive this Republic to a centralization which will mean the deadening of its great mainspring of progress which is the discovery and experimentation and advancement by the local community.

Diversity within unity is the essence of government and progress in our country. If we are to preserve the foundations of liberty in the community and the State, just as is true in the case of the individual,

we must have room for self-creation and self-development, for it is the sum of these accomplishments which make the progress of the Nation. We must not believe that by guaranteeing the medium of perfection to all individuals, to all communities, to all municipalities and all States, through the deadening hand of centralization, we will secure progress.

But I wish to revert to the theme which I have mentioned before, which is that the advance in all these directions lies in the advance of public understanding. Fundamentally, our capacity to extinguish criminality and lawlessness lies in the moral training and moral stature of our people. Fundamental advancement in the control of great business and great enterprise lies in the growth of the social instinct and social responsibility of the men who direct these enterprises. In these basic processes of education and moral training, of spiritual development, you as the organized lawyers and leaders of your community have a first responsibility in directing the multitude of agencies which can advance this so fundamental a program.

Parallel with our experience of the last 50 years of economic change and regulation, this Nation has encountered similar new and equally troublesome developments in the management of the problem of crime. Crime is a more personal, a more individual thing, than economics. I have often said that you cannot overtake an economic law with a policeman. But the only thing that can overtake a criminal is a policeman. The facts of most crimes are localized; they must be investigated at the scene. The pursuit of the criminal must be directed from the community whose peace has been broken, and the evidence for his trial can most effectively and most justly be presented to his neighbors and judges in that community. Thus, in spite of the fact that crime also has frequently become interstate, the suppression of crime is still most effectively accomplished locally, and fundamentally must remain the responsibility of the State and local governments and should not be shifted to the Federal Government.

In this field, likewise, you gentlemen of the legal profession have a most serious duty. The criminal law has become a complex and often tortuous thing, responding to the growing complexity of modern life.

But it is needlessly complicated. Your court procedures are too unwieldy. One of the most disheartening difficulties of zealous officers of government is the law's delays, during which evidence loses its value, witnesses die, and criminals are encouraged to believe that through its maze of technicalities justice can be neither swift nor sure. You have a duty to simplify these procedures, to shorten these processes, to make the administration of law a terror to evildoers by its promptness and certainty.

There is another field of urgent reform in the fields of justice—that is, the laws, the technicalities, the procedure, the cost of civil actions, of management of estates, or bankruptcies, and of receiverships. These laws and procedures have failed to keep pace with all the growing complexities of economic and business life, and they must be simplified that their costs and their economic wastes be reduced.

A corollary duty, one that will hasten this end, is that you shall purge your profession of men unworthy of its trust. You occupy a position unlike that of other men who may honorably pursue only their private gain. You are, besides that, quite specifically officers of government, sworn members of the courts in which you practice, and bound by oath to see not only that justice is done but that the laws are enforced. Too many men have been allowed to take this oath and then be false to it. They use the complexities of law and procedure, not to effect justice, but to defeat it. These men you must scourge from the temple which they profane. It is greatly to the credit of the American Bar Association that you have voluntarily accepted this duty, and are in constant process of cleansing the fountains of justice. But I urge a yet greater zeal in this undertaking, not only for the honor of your profession but for the welfare of the state.

To you gentlemen, Mr. Chief Justice and your honored associates, I extend most hearty congratulations upon the happy occasion which has brought this gathering together tonight. The superb building which you will dedicate tomorrow will visualize to the eyes of the people the majesty of the law upon which our peaceful Nation is securely founded and whose rights and liberties the law protects. It will remind them of the debt of gratitude they owe to the Supreme Court for the statesman-

ship with which it has guided the course of constitutional interpretation through all the perils of rapid national evolution and growth, preserving the ancient principles and adapting their application to the changing needs of the times. This building will make more convenient your labors of carrying on this great tradition with the high consecration which has earned for you collectively the admiration of the legal fraternity and the affection of the country. So long as our form of government shall last, this building will stand as a shining monument to the character of a great people who wisely put their trust in liberty under law and who guard the ordered preservation of their rights through an instrument of government whose final authority is the people's own moral power.

NOTE: The President spoke at 9:30 p.m. to a special session of the bar association assembled in Constitution Hall in Washington, D.C. Chief Justice Charles Evans Hughes introduced the President.

The National Broadcasting Company and the Columbia Broadcasting System radio networks carried the address.

336

Rear Platform Remarks in West Virginia,
Maryland, Pennsylvania, and Ohio.

October 15, 1932

[1.] MARTINSBURG, WEST VIRGINIA (8:47 a.m.)

My friends in Martinsburg:

It is always a pleasure to come to Martinsburg and to touch on the soil of West Virginia. There is no State I know that has such a varied beauty and such a varied character of industry and where the people are more self-reliant and self-sufficient than those in West Virginia. It is generous of you to come out to greet me this morning, to give to me the encouragement of your presence here and this promise that you are actively participating in this campaign and this assurance of the reelection of the Republican Party on November 8.

I deeply appreciate your coming. It is heartening, and I thank you for it.

[2.] CUMBERLAND, MARYLAND (10:35 a.m.)

Even if no other reminder were needed, the mills of Cumberland would recall the importance of the protective tariff. If it were not for that Republican policy these Celanese mills would be closed down this minute.

The people of Maryland are vastly interested in maintaining the protective tariff. You have taken an active interest in it ever since the founding of this Republic.

The people of Maryland had a large part in the passage of the first protective tariff in our country. On April 11, 1789, a group of manufacturing workers and others of Baltimore joined in a petition to President Washington and the first session of the First Congress. It was indeed the first petition filed with the Congress.

They prayed that the new government would render the country "independent in fact as well as in name" and give early attention to "the encouragement and protection of American manufacturers and workmen by invoking upon all foreign articles which can be made in America such duties as would give a just and decided preference to their labors and thereby discontinue that trade which tended to so materially injure them."

President Washington responded to that petition, and the first piece of legislation passed by the Congress and signed by the first President was a protective tariff.

From that day to this the State of Maryland has had this independence which its citizens demanded. It has grown constantly in strength. And not only are the industries of Maryland today dependent on protective tariff but a large part of her agriculture as well. Your dairy products, truck products, wheat, corn, livestock are so near the seaboard that the countries of cheap production could penetrate your markets and do great injury to your farming industry. You will find that today practically every farm article produced in the State of Maryland could be

imported for less than the present price, depressed as those prices may be.

The Democratic Party is opposed to a protective tariff. It proposes to reduce these tariffs. In its platform in lieu of a protective tariff, it proposes a competitive tariff for revenue. It denounces the present tariffs as exorbitant. Their candidates and supporting orators demand reduction in the face of depreciating currencies in foreign countries during the last 12 months which have resulted in still further reduction of their living standards. Indeed, the increase in imports into our country of certain lines of manufacture by virtue of this depreciation is already beginning to displace our workmen in certain localities. I would submit to the thoughtful citizens of Maryland that your first interest lies in sustaining the party whose policies and whose candidates alone can be relied upon to maintain protection to your jobs, your farms, and your industries from destruction through imports of cheap goods and the products of cheap land.

[3.] MEYERSDALE, PENNSYLVANIA (11:47 a.m.)

It is a great pleasure to meet you, I assure you. And it is generous of you to come here to wish me good fortune. I thank you for that. It would be a great satisfaction to me if I could stop longer and really talk with you. You have the same interest at heart that I have—the speedy restoration of our country. You are doing your part in that, as I am doing mine. You will read in tomorrow's paper the report of my address this evening at Cleveland. That will tell you much that I would say to you now if time permitted.

I wish to return your courteous reception by giving you my own best wishes for all sorts of good fortune to you.

[4.] CONNELLSVILLE, PENNSYLVANIA (1:15 p.m.)

Friends in Connellsville:

I find it difficult to express the very great appreciation that both Mrs. Hoover and I have for your coming in such enormous numbers to greet us here this morning. It is the most generous and the most courteous reception that we have received. It is heartening and encouraging,

[336] Oct. 15 *Public Papers of the Presidents*

and it is an indication of what the people of Connellsville will do on the 8th of November next.

I thank you for coming.

[5.] McKEESPORT, PENNSYLVANIA (2:20 p.m.)

My friends:

I find it difficult to assemble the words that such a reception as this requires in appreciation. There are here probably 30,000 or 40,000 of people in such a reception as has seldom been tendered to a President on so short a notice. I wish to assure you that both Mrs. Hoover and I deeply appreciate your greeting. I could go along and make a political address, and perhaps I might repeat to you what I expect to say this evening. But although time does not permit that, I shall have the vision of your faces and your enthusiasm in my mind and the feeling that you will be listening tonight when I address you as well as the people of Cleveland.

I wish again to express the appreciation of both Mrs. Hoover and myself for the fine courtesy that you have shown in coming and giving to us this greeting. It is not only encouraging but it is a fine indication as to the support that you will give the Republican Party on the 8th day of November.

Thank you.

[6.] BRADDOCK, PENNSYLVANIA (2:35 p.m.)

It is a real pleasure to me to have this opportunity to stop for a moment and meet you. You are hospitable to come here in such numbers. It is an encouragement to me to carry on. If my stop here could have been longer, I might be tempted to make to such a generous audience as this the whole speech I have prepared for this evening, but I must save that. But when I deliver it tonight I shall remember your friendly faces and shall imagine that you are listening at your radios—so I shall feel that you are in my audience after all.

Again, I thank you for coming here to greet me and to wish me good luck.

[7.] ZELIENOPLE, PENNSYLVANIA (3:58 p.m.)

I deeply appreciate the greeting which you have extended to me. It is encouraging and heartening. It is a good sign of your support. This is not an occasion on which to endeavor to talk to you about great national issues. I am going to talk to you tonight. I hope many of you will be able to listen in. I shall remember your faces and this platform when I discuss the matter before the Cleveland audience. I find difficulty in expressing what I feel for the support you are giving by coming here this afternoon.

Thank you.

[8.] NEWCASTLE, PENNSYLVANIA (4:30 p.m.)

My dear friends:

I deeply appreciate this greeting which you have given to Mrs. Hoover and myself. I know of nothing that is more encouraging, that is more stimulating, and more heartening than the manner in which we have been received on this journey by the people of southwestern Pennsylvania. It is not an occasion on which to speak of national issues, during a short stop in your town, but I am in hopes you may be able—many of you—to listen in this evening when I shall make an effort to explain to you the major purposes of my administration and the service which the Republican Party is giving and can give to this Nation.

Your coming here this afternoon is evidence of your support, and it is evidence of the support which you will give on the 8th of November, and I do thank you for it.

[9.] YOUNGSTOWN, OHIO (5 p.m.)

My friends:

I deeply appreciate your coming here this afternoon to extend to Mrs. Hoover and myself this greeting. It is heartening and encouraging. It is evidence of your support.

I need not tell you that our Nation has been passing through an unprecedented crisis, and I need not tell you it has had its reflex in your

city and in every home. Your banks have been closed. Your mills have been partially shut down. You have much unemployment. You have much distress. You have great anxiety for the future. All this is the result of forces which have swept the United States from abroad, and against which this administration has carried on a continuous battle from the day that they first appeared. And in carrying forward that battle we have forged great weapons in defense of the American people and in defense of the industries and employment of your city and of your homes. You will recognize that one of the instruments of the Government, which was created, intervened and secured the reopening of the banks in your city. The employment which we have gradually stimulated over the country has begun to reflect itself in this very city. I fortunately have in my hands a telegram that reached me a few moments ago, which has given to me great encouragement, and I know it will be encouraging to you. It says:

"The Associated Press carries following Youngstown dispatch: Improvement in steel production next week will raise mill operations in Youngstown district above 20 percent of capacity for first time in many months. Finishing mill activity also will increase. Youngstown Sheet and Tube Company's Bessemer plant, idle for 2 weeks, will resume during the week, giving Company's highest steel tonnage output since last May."

That, my friends, is tangible and positive evidence that we are winning in this battle. It is an encouraging result of the effort that has been made by this administration and the effort being made by our people.

I wish before departing to mention one other subject. When you consider what you will do on next November 8 you should remember a primary Republican policy, on which the safety of your city and your State is builded, and that is the continuance of the protective tariff. Our opponents propose to reduce that tariff. It has been the sustaining factor; it has been the guardian of your industries in Ohio during this last 40 years. President McKinley, of your State, more than any one other man effectively established that policy as a fixed purpose of the Republican Party. He did so because of his recognition of its vital importance to the Nation and to this State. It is indeed a matter of deep concern to

you that that policy as well as the measures and policies instituted and initiated by the Republican Party shall be continued in this Nation.

I deeply appreciate your coming to give me this greeting and this welcome. It is evidence of your support in the battle which we are carrying on.

[10.] AKRON, OHIO (6:25 p.m.)

Mrs. Hoover and I deeply appreciate your cordial greeting. Ohio has a personal interest for us both because her parents and mine both sprung from the soil of this great State, which has contributed so notably to the material and spiritual growth of our country. Now, within a few hours I shall be talking to the people of Ohio on national issues. I will not take your time now to go into these questions on this occasion. Presumably, you may be able to listen in later on. There is, however, one issue I would like to emphasize to the people of Akron. Ohio is in the first rank of States in agriculture, mining, transportation, and manufacture. It is an outstanding example of the benefits of the American policy of protective tariff which is one of the cardinal principles of the Republican Party.

Your city, with its diversified industries, is a manifest and I hope an enduring monument to the protective tariff. Never was the protective tariff needed more than right at this moment. Over 30 commercial countries have been compelled to abandon the gold standard. With the consequent depreciation of their currencies, their standards of living and their wages have fallen to an extraordinary degree during the last 12 months. The differences between the cost of production of commodities in those countries and the cost of production in the United States with our higher standards of wages are now wider than ever before.

Already rubber goods, in the manufacture of which many of you are deeply interested, are beginning to flow into the United States in large quantities because of this depreciation. The Treasury Department, under my direction, has been holding an inquiry during the past week to determine whether these imports are in violation of our laws aimed at the dumping of foreign goods. The Tariff Commission has also under-

taken an inquiry to determine whether the duties on rubber goods should be increased in order to give adequate protection to the American rubber industry.

Here I will point out to you one of the most important and progressive steps ever taken in American legislation. That was the effective authority given by the act of 1930 to the Tariff Commission, a bipartisan body, under which it may, after determining the relative costs of production at home and abroad, either increase or decrease tariff duties in order that if, on the one hand, the tariffs may be too high they may be lowered, but, of far more importance at the present time, if the tariffs should be too low in order to protect American labor, they may be increased.

The Democratic Party is not only opposed to the protective tariff in principle, but proposes to take from the Tariff Commission the authority to make tariff adjustments and return the whole question of the tariff once more to the madhouse of congressional logrolling.

The Democratic Party proposes to reduce the tariff. Never before was the retention of this policy more necessary in order to protect American workers.

My friends, we have been passing through a great crisis. The many measures we have taken to mitigate the devastation of the economic storm that swept upon us from abroad have helped many of your institutions and have held for you much employment that would otherwise have been lost. They have aided in the care of your unemployed. We are making recovery. We shall see a restoration of employment and business if we continue the battle on these lines.

I hope you will continue the Republican Party in power on the 8th day of November.

NOTE: The President was en route to Cleveland, Ohio where he was scheduled to make a major campaign address. Times provided for the President's remarks are approximations based on his itinerary.

337

Address in Cleveland, Ohio.

*October 15, 1932**My fellow citizens:*

It gives me a great deal of pleasure to appear on the platform with my friend Mr. Ingalls, my friends the Senators and the Senator to be elect, my other friends who are candidates for the House of Representatives from Ohio. These men have served you well and will serve you well in the future. I commend them to the people of Ohio.

I have come to Cleveland tonight because of the depth of my feeling that it is in the vital interest of this Nation that the war which we have been waging against terrific forces which have disrupted our economic life should be carried forward by a Republican administration. A change in the strategy of that war—of those policies—may convert what is now a victorious battle in progress into a defeat of the American people.

A few days ago, I spoke at Des Moines with relation to agriculture. My remarks this evening will be directed largely to employment, to the wage and salary earners. I propose to review what the administration has done, and the measures and policies that it has in action together with the relation of those policies to those of our opponents. Now, as President of the United States, I have the duty to speak to the workers, but I have also a certain personal right to so speak.

When I talk to you tonight about labor I speak not out of academic imaginings but from sharp personal experience. I have looked at these human problems not only from the fireside of one who has returned from a day's work with his own hands, but I know the problem that haunts the employer through the night, desperate to find the money with which to meet the week's payroll. In public service during years past I have had to look at these problems from the point of view of the national welfare as a whole.

Now, the people of a free nation have a right to ask of their Government, "Why has our employment been interrupted? What measures have you taken in our protection? What has been done to remove the obstacles from the return of our work to us?" They not only have

a right to ask these questions, but they have a right to an answer. I am here tonight to give that answer.

During these past 3 years our economic system has received the most terrific shock and dislocation which, had not strong action been taken by your Government, would have imperiled the Republic and the whole hope of recovery. It has affected business and industry and employment and agriculture alike. It is appropriate to repeat that while many of our measures are directed to the protection and assistance of particular groups, yet all are in the same boat, and all must come to shore together. And how are they to get to shore? By listening to those who manifestly display a lack of knowledge of the character of the storm and of the primary problems of navigation? By boring holes in the bottom of the boat? By throwing overboard the measures designed to meet the storm and which are proving their effectiveness?

Now, our opponents have been going up and down the land repeating the statement that the sole or the major origins of this disruption and this worldwide hurricane came from the United States through the wild flotation of securities and the stock market speculation in New York 3 years ago, together with the passage of the Hawley-Smoot tariff bill, which took place 9 months after the storm broke.

I propose to discuss this assertion.

First, because it can be proved absolutely untrue.

Second, because the United States did not bring this calamity on the world. The United States is not the oppressor of the world.

Third, because it can be demonstrated to be founded upon a complete misunderstanding of what has happened in the world.

Fourth, because any party which exhibits such a lack of economic understanding upon which to base national policies should not be trusted with the fate of 25 million American families. They should not be trusted to command the battle against the most gigantic economic emergency with which our people have ever been confronted, and to bring that battle to victorious issue in the reestablishment of the functioning of our economic machine.

This thesis of the opposition as to the origin of our troubles is a wonderful explanation for political purposes. I would be glad, indeed,

if all the enormous problems in the world could be simplified in such a fashion. If that were all that were the matter with us, we could have recovered from this depression 2 years ago instead of fighting ever since that moment against the most destructive forces we have ever had to meet in the whole history of the United States—and I might say fighting victoriously.

Nowhere do I find the slightest reference in all the statements of the opposition party to the part played by the greatest war in history, the inheritances from it, the fears and panics and dreadful economic catastrophes that have developed from these causes in foreign countries, or the idea that they may have had the remotest thing to do with the calamity against which this administration is fighting night and day.

The leaders of the Democratic Party appear to be in ignorance of the effect of the killing or incapacitating of 40 million of the best youth of the Earth, or of the stupendous cost of war—a sum of \$300 billion or nearly equal to the value of all the property in the United States, or the stupendous inheritance of debt, with its consequent burden of taxes in scores of nations and with the stifling effect of these taxes on recuperation of industry or commerce and the paralyzing effect upon world commerce in the continued instability of currencies and budgets.

Democratic leaders have apparently not yet learned of the political instability that arose all over Europe from the harsh treaties which ended the war and the constant continuing political agitation and the creation of fear which has from time to time paralyzed all confidence. They have apparently never heard of the continuing economic dislocation from the transfer on every frontier of great masses of people from their former economic setting.

They apparently have not heard of the continuing dislocation of the stream of economic life which was caused by the carving of 12 new nations out of 3 old empires. Those nations have a rightful aspiration to build their own separate economic systems; they naturally have surrounded themselves with tariffs and other national protections; they have thereby diverted the long-established currents of trade. I presume,

however, that if our Democratic leaders should hear of these nine new tariff walls introduced into the world some 14 years ago they would lay them at the door of the Smoot-Hawley bill passed 12 years later.

The Democratic leaders have apparently not heard of the increase of standing armies of the world from 2 to 5 million men, with the consequent burdens upon the taxpayer and the constant threat to the peace of the world.

They apparently ignore the effect of revolution among 300 million people in China, or the agitations among 300 million people in India, or the Bolshevik revolution among 160 million people in Russia. They have ignored the effect of Russia's dumping into the world the commodities taken from its necessitous people in a desperate effort to secure money with which to carry on—shall I call it a new deal?

The Democratic leaders apparently have never heard that there has been gigantic overproduction of rubber in the Indies, or sugar in Cuba, or coffee in Brazil, or lead in Burma, or oil in Russia or Venezuela, or gigantic areas of new wheatlands in the Argentine and Canada. In each and every case these great overproductions, far beyond consumption even in boom times, have crashed into the immutable law of supply and demand and brought inevitable collapse in prices and with it a train of bankruptcies and destruction of the buying power for American goods.

The Democratic leaders appear not to recognize that these forces finally generated economic strangulations and fears and panics, the streams of which precipitated another long series of worldwide disasters.

They apparently never heard that there followed revolutions in Spain, in Portugal, in Brazil, in the Argentine, in Chile, in Peru, in Ecuador, and Siam and attempts at revolution in a dozen other countries—all of them resulting in a partial or a practical repudiation of their debts and the constant decrease in buying power for our goods.

They seem not to know that the further accumulation of all these causes and dislocations finally put a strain upon the weakened economic systems of Europe until one by one they collapsed in failure of their gold standards and the partial or total repudiation of their debts. The Democratic leaders would hold the American people ignorant that every one

of these nations in their financial crises imposed direct or indirect restrictions on the import of goods in order to reduce expenditures of their people. They call these "reprisals" against the Hawley-Smoot bill.

They apparently have never heard of the succeeding jeopardy—jeopardy into which our Nation was put through these destructions of world commerce, or the persistent dumping of securities into the American market from these panic-stricken countries, or the gigantic drains upon our gold and exchange, or the consequent fear that swept over our people, causing them to draw from our bank resources \$1,500 million—all of which contracted our credit and resulted in demand for payment of debts right and left, and thwarted our every effort for industrial recovery.

Yet in face of all these tremendous facts, our Democratic friends leave the impression with the American people that the prime cause of this disaster was the boom in flotations and stock prices and a small increase in American tariffs.

Now, such an impression is unquestionably sought by the Democratic candidate when he states: "That bubble burst first in the land of its origin—the United States. The major collapse followed abroad. It was not simultaneous with ours."

Now, I do not underrate the distressing losses to millions of our people or the weakening of our strength from the mania of speculation and flotation of securities 3 years ago. But I may incidentally remark that the State governments have the primary responsibility to protect their citizens in these matters and that the vast majority of these transactions originated or took place in the State of New York.

But as to the accuracy of the statement which I have quoted I may call your attention to a recent bulletin of the highly respected National Bureau of Economic Research, in which it is shown that this depression in the world began in 11 countries, having a population of nearly 600 million people, before it even appeared in our country, instead of the bubble having "burst first in the United States." Their report shows the depression in eight other countries, with a population of another 600 million, started at the same time with ours. In fact, the shocks from the continued economic earthquakes in these other countries carried our

prices far below the values that we would have otherwise sunk to, with all its train of greatly increased losses, perils, and unemployment.

Now, our opponents demand to know why the governmental leaders or businessmen over the world did not foresee the approach of these disintegrating forces. That answer is simple. The whole world was striving to overcome them, but finally they accumulated until certain countries could no longer stand the strain, and their people, suddenly being overtaken with fear and panic, through hoarding and the export of their capital for safety, brought down their own houses, and these disasters spread like a prairie fire through the world. No man can foresee the coming fear or panic, or the extent of its effect. I did not notice any Democratic Jeremiahs.

So much for the beginnings and forces moving in this calamity. And I have spent some moments upon them because it is necessary that the American people should understand them if it shall have a comprehension of the problems which it has to meet.

I now come to the amazing statements that the tariff bill of 1930 has borne a major influence in this debacle also.

I quote from the Democratic candidate; he says: "The Hawley-Smoot bill is one of the most important factors in the present worldwide depression."

At another place: "It has destroyed international commerce."

At another place: "The tariff has done so much to destroy foreign trade as to make foreign trade virtually impossible."

Now, I shall analyze the accuracy of these statements not only because I should like to get before my countrymen a picture of the lack of understanding which the Democratic Party has of world trade, but also for the further reason that it is of vital importance to labor and to our agriculture that, as our opponents have this obsession, it means that if they are intrusted with control of our Government, they intend to break down the protective tariff which is the very first line of defense of the American standard of living against these new and destructive forces.

Now, it requires a collection of dull facts to demonstrate the errors in these bald assertions.

At the beginning I may repeat that this tariff bill was not passed until 9 months after the economic depression began in the United States and also not until 20 other countries had already gone into the depression.

The Democratic Party seldom mentions that 66 percent of our imports are free of duty, but that happens to be the fact. From one-half to two-thirds of the trade of the world is conducted in nondutiable goods—that is, mostly raw materials; some part are luxuries, upon which all nations collect tariffs for revenue; another part, probably less than one-third of the whole, is in competitive goods so far as the importing nation is concerned, and therefore, subject to protective tariffs.

Now, the trade of the world has distressingly diminished under the impact of these successive dislocations. But the decrease is almost exactly the same in the free goods everywhere as in the dutiable goods. That is the case in the United States. If the Smoot-Hawley bill reduced our imports of dutiable goods as our opponents claim and thereby destroyed international commerce, what was it that reduced the two-thirds of nondutiable goods?

Now, if we explore a little further, we will find from the Tariff Commission that the total duties collected in a comparable year represent 16 percent of the total imports—that is under the present tariff bill—that being an increase from 13.8 percent of the previous tariff bill. In other words, the effect of the new tariff was an increase of 2.2 percent when applied to the whole value of our imports. This is the margin which our opponents say have pulled down foreign governments, created tyrannies, financial shocks, and revolutions.

I may mention that, upon the same basis of calculation, the McKinley duties were 23 percent, the Dingley duties were 25 percent, the Payne-Aldrich duties were 19 percent of the whole of our imports—all compared with the 16 percent of the present tariff—and yet they produced no revolutions in foreign countries, no financial crises; they did not destroy the whole world nor destroy American trade.

And I may explore the facts a little further. The 5-year average of the import trade of the United States before the depression was about 12 percent of the whole of the world's import trade. Now, the thesis of

our opponents is that if you embarrass import trade, you destroy world trade. But they would say that 2.2 percent increase applied to one-eighth of the world's whole imports has produced this world catastrophe.

Now, I can explore this in still another direction. I would remind you that we levy tariffs upon only one-third of our imports. I also remind you that the actual increases made in the Smoot-Hawley bill covered only one-quarter of the dutiable imports. I may also remind you again that our import trade is only one-eighth of the total import trade of the world which we are supposed to have totally destroyed. So they would have us believe this world catastrophe and this destruction of foreign trade happened because the United States increased its tariffs on one-fourth of one-third of one-eighth of the world's imports, and that we pulled down the world, so they tell us, by increases on less than 1 percent of the goods being imported by the world as a whole.

And I may explore this thesis that the Republican tariff has destroyed the world a little further. He recently stated that this increase of tariffs "started such a drain on the gold reserves of the principal countries as to practically force all of them off the gold standard." At Des Moines I defended the American people from this piece of guilt. I pointed out that it happens there had been no drain of gold from Europe, which is the center of this disturbance, but on the contrary, that Europe's gold had increased every year since the Smoot-Hawley bill had been passed.

Now, my fellow citizens, I could continue for hours in an analysis of mistaken statements and misinformation from the opposition. But I assure you that this country is not to blame for the catastrophes that have come on the world. The American people did not originate the age-old controversies of Europe. We did not inaugurate the Great War or the panics that have taken place in the last 5 years.

No, my friends, the increase of duties collected by the United States of 2.2 percent calculated on all the goods we import didn't bring about the debacle in the world. If every country in the world were to increase the duty on their imports by 2.2 percent tomorrow, but if at the same time they would also adopt domestic policies which would bring about release of the energies and progress of their people, if they would maintain peace and good will with their neighbors, if they would support

confidence in the world, then the world's, as well as our own, international commerce would thrive and boom beyond any dimensions that we ever dreamed of.

I've dwelt on this point not only because I believe it is important to correct current misstatements of our opponents, but because the policies of our opponents are founded upon misconceptions of the utmost gravity for the future of the United States. If it were not a matter of such utter gravity for the future of our country, I should treat them not in a sense of seriousness but in a sense of humor. There is a vital determination before the American people as to whether there shall be placed in power over the destinies of 120 million of us a party which so lacks in penetration into the forces active in the world and the dangers which we confront and responsibilities that arise from them.

Now, I wish to examine the record and policies of the present administration in their relation to our wage and salary earners, for that record is made. They speak louder than promises. There are 12 major measures and policies which we have put into action and to which I would like to refer.

First, my concern in dealing with the problems of these times, while fighting to save our people from chaos and to restore order in our economic life, has been to avert hunger or cold amongst those upon whom these blows have fallen with heartbreaking severity—that is our unemployed workers.

In the fall of 1930 to meet this situation, I set up the President's Organization for Unemployment Relief¹ under able leadership. Through cooperation of every State, town, and village the forces were organized and mobilized which overcame victoriously the suffering of that winter. In the fall of 1931, we mobilized again, and again with the cooperation of Governors and local communities, all the associations and agencies in the United States, we carried a victorious battle over the winter

¹In October 1930, the President's Emergency Committee for Employment was established under the chairmanship of Arthur Woods. In August 1931, the President's Organization on Unemployment Relief was established under the chairmanship of Walter S. Gifford.

of 1931-32. Still again, during the past few weeks, I have cooperated with the great national agencies in the remobilization of the voluntary forces of the country for an attack on the forthcoming winter.

But, fearing that the resources of individuals and of local communities and States were being exhausted, I settled with the Congress an authority to be given to the Reconstruction Corporation to loan a total of \$300 million to those States whose needs might be found greater than the voluntary associations and local authorities could provide. I had great difficulties with Democratic leaders to prevent this being made a pork-barrel operation rather than one based upon need. Under that authority many millions have already been provided. We have provided, in addition, large quantities of wheat and cotton for the aid of those in distress. There should be no fear or apprehension at any deserving American fireside that starvation or cold will creep within their doors or menace their families and loved ones over the forthcoming winter.

With these 3 years of unceasing effort in relief, by the patriotic service of our citizens and our local communities and public officials, and the stimulus and mobilization that we have been able to give by the use of the Presidential office and direct support of the Federal Government, we present to the world a record unparalleled by any other nation in this period. That is a record expressed in technical terms yet interpretable into sheer human sympathy. That record is the information furnished to me constantly by the Surgeon General of the Public Health Service which shows, down to the latest moment, that the adult mortality, the infant mortality are at the lowest rate on record, and that the general health of the American people is at a higher level today than ever before in the history of our country. I know that there are exceptions and that there is suffering which always arises in communities where their organization is less efficient than it should be. Even so, no such record could be established if the Nation's unemployed were starving and without shelter. Yet some say that things could not be worse. Had these actions not been taken they would be a thousand times worse.

The second of our actions of interest to the workers was the conference which I called in Washington, in November 1929, of representatives of the leading employers, together with representatives of organized labor, and here we developed certain plans for dealing with this emergency. I believe this can be truly said to have been the first time in history that the Government has taken the leadership to secure an understanding between industry and labor of the complete mutuality of their interest in the face of a national danger.

We worked out on that occasion many purposes.

The first was to uphold the standard of real wages.

The second was to uphold the buying power of our working people until the cost of living had diminished.

The third was to prevent that thing which had happened in every previous depression in our history, and that was an immediate attack upon wages as a basis of maintaining profits. This proposal had the sympathetic support of the employers of the whole country, and for nearly 2 years they maintained the standard of wages in the United States; they maintained them in the face of disappearing profits. As the depression grew more severe there have been readjustments, but these readjustments have come about by agreement between employer and employee after profits were taxed and the cost of living was reduced. As a result of these efforts we have had the astonishing spectacle of a country in which there have been less strikes, less industrial conflict, with all of their bitterness, than even in normal times and where there has been less social conflict than in any other country disturbed by this depression.

The fourth of these undertakings made at that time had to do with the staggering of employment—instead of discharging a portion of workers into complete disaster.

The fifth of the undertakings made on that occasion was that the manufacturers, the railroads, and the utilities would expand their construction of new equipment beyond their immediate need. A vast sum of money was expended in these directions during the first year of the depression. Again some few months ago, I secured the interest of employers in organization of a new campaign to replace obsolete

equipment and machinery. That is today resulting in an increase of employment.

As I have said, when history records this depression, it will record no brighter chapter in the whole history of the United States than the approach to this problem by both employers and leaders of labor in a sense of humanity and a sense of social responsibility. To them I pay high tribute. In the face of these results, let no man say that it could not be worse. If it had not been for these actions, this country would have been fired with the flames of bitterness and conflict between workers and employers; millions more would have been without jobs; wages would have been reduced far below their present level.

Now, day before yesterday my opponent announced a plan "to set up in times of prosperity what might be called a nest egg to be used for public works in time of depression." He said, "That is a policy which we should initiate when we get back to good times."

He advocates this apparently as a brandnew idea. It will doubtless surprise him to learn that the eggs have not only been laid but they have hatched, long since.

He either ignores or is ignorant of the fact that as far back as 1922, in our unemployment conference of that year under my chairmanship, we developed then the idea of making use of public works to assist in the stabilization of employment in times of depression and laid the foundation for its operation. I do not claim to have invented the notion.

On the breaking out of this depression in November 3 years ago, I announced not only that the Federal Government would speed up its public works, but I requested the States and municipalities to do likewise. During the year 1930 we not only maintained these types of construction work, but we stimulated it to above normal—an amount of \$500 to \$800 million. The wide extent and pressure of the depression, however, rapidly cut into the construction abilities of many States and municipalities. We, however, have held Federal construction work up to three times its normal, straight through year by year. By the end of this fiscal year we will have expended nearly \$2,400 million of Federal money on construction and maintenance work since the depression

began. And I ask again, do you think things could not have been worse had these policies not been adopted?

Now, there has proved to be a limitation, however, on this, and that limitation is that the Federal Government should not and must not undertake projects which are not of productive value to the Nation and must not extend its liabilities beyond its ability to maintain a balanced budget. To take money from the taxpayer and thus decrease his ability to employ people himself, and to put it into public works which will never make a real return to the public, is a waste of national wealth and an actual destruction of employment.

Notwithstanding the fact that the Federal Government was carrying a burden of \$700 million of public works per annum—the very utmost that its resources permitted and the utmost that could be justified on merit—the Democratic Vice-Presidential candidate introduced, in May of this year, and secured the passage of a bill in the Democratic House of Representatives calling for \$1,200 million more of public works. The expenditure of these sums meant unbalancing the budget; it meant the destruction of Government credit.

But, far worse than this, the works upon which it was intended to expend this money were of typical pork-barrel character. In that bill were 3,500 different projects scattered in every community in the country. One list alone would have imposed a maintenance charge on the Government of \$15 million a year as against a perfectly efficient service now costing \$3 million a year. Lists of the projects in different congressional districts were distributed in the hope that they would appeal to the cupidity of those districts and that I should be forced into the embarrassment not only of appearing to oppose my own policy of speeding up public works, but of depriving thousands of towns and villages of the expenditure of Federal money and myself of votes in this election.

Now, it is a good thing to have a fire in the grate to warm the house, but it is a bad thing to set the house on fire in order to warm your hands.

The Democratic candidate for Vice-President still advocates that bill. He proposes to introduce it in the next session. He proposes it as a part

of the policies of the Democratic Party. But, with the responsibility of the President of the United States, I propose to continue to oppose it.

Some 8 months ago I requested that certain engineering associations investigate the possibility of aid from the Government by way of the use of governmental credit to stimulate construction of public and private works of what are called of reproductive character—that is, works that would earn a repayment of capital and interest and that were only halted from the lack of credit. As a result of the ventilation of these ideas the Reconstruction Corporation was authorized to make such loans up to \$1,500 million.

Already that Corporation has authorized the starting of works, the ultimate cost of which will exceed \$400 million. That is no cost to the taxpayer; it is the use of Government credit. The installation of these works will be productive in living for literally thousands of families.

Now, it is obvious that, in addition to the great dislocations that we have received by the demoralization of governments and markets abroad, that there is another economic force moving for which there must be a remedy. That was the so-called technological unemployment. In plain terms, our inventions of labor-saving machinery have outrun our discovery of new commodities and new services on which to absorb the men discharged from the older industries. In order to bring the Government into line with these facts, and upon my recommendation to Congress, the shorter hours were applied effectually to Government service so that we should spread Government employment over the largest possible numbers and yet decrease governmental expenses.

Another matter in which we have been greatly concerned on behalf of labor is that of a protection that has been near to my own heart over many years. That was the establishment of a better opportunity for our people to purchase their own homes and to have a chance to keep them when they had undertaken that great step in life. In November of last year I propounded the plan for a national system of home loan banks. These banks were for the purpose, with only the temporary assistance of the Government, of mobilizing the resources of building loan associations and savings banks and other institutions that are devoted to homeownership in order to enable them to borrow collectively on more

favorable terms from the investor, and to assure to the borrower long-term payments at more reasonable rates. Literally thousands of heart-breaking instances of inability of working people to obtain renewal of expiring mortgages on favorable terms, and the consequent loss of their homes, have been one of the tragedies of this depression. Had the Democratic House of Representatives acted upon this measure at the time of its recommendation, we would have saved hundreds of thousands of such tragedies.

I did finally secure the passage of that bill through the Congress. Those banks will be opened and operating at the end of this month. The system is not as perfect as I could wish, but it has already had one immensely beneficial effect, and there will be others. The anticipation of its aid has largely stopped the foreclosing on homes, and with its operation it should give every man who wants to make a fight to hold onto his home the opportunity to do so.

And there is another purpose of interest to labor in the setting up of that new institution. Despite the tendency of the people in some communities to huddle in depression and therefore to create many vacant dwellings, yet there are other communities where people today wish to build new homes but cannot do so because they cannot borrow a portion of the cost. These institutions, by furnishing this capital, will give a renewed employment to many thousands of people.

Now, there are other matters of vast interest to labor. One of most primary interest is that of wages. I have for many years advocated high wages as the economic basis for the country. That has long been a Republican doctrine. That is the road to economical production and high consumption of products of the farm and factory.

Those who say that things could not be worse, without knowledge of what has happened in other countries which have gone through this cataclysm, might be interested in the rates of wages being paid abroad compared to the United States. In order to illustrate it, I have this week secured through the Department of Commerce a calculation on a basis which I have used before, and that is to interpret wages into currencies of other countries by means of a common denominator.

If we were to say that 5 percent of butter and 95 percent of flour would form the basis of that useful mixture called "bread and butter," then we might apply the weekly wages of different trades in different countries and determine how much each of them could buy at retail in those countries of that very useful compound. I will not read you the table,² but I can point out to you that day labor in the United States can buy almost 400 pounds of that mixture with a week's wages, and that the highest skilled labor in our country can buy about 1,000 pounds a week; that the highest paid other wage in the world—and skilled wage at that—in the United Kingdom can buy 342 pounds. That is about one-third the amount that a similar trade can purchase in the United States. I could go on down through many countries represented in this table until I get to Japan, where I find that the purchasing power of Japanese wages will secure just about one-eighth the amount of bread and butter than can be secured by the American worker at today's wages.

Now, as it bears most importantly on labor, I wish to return a moment to the tariff. There is no measure in the whole economic gamut more vital to the American workman and the farmer today than the maintenance of the protective tariff. I stand on that principle. Our opponents are opposed to it. They propose "a competitive tariff for revenue," and they propose to reduce the tariff. They propose to do this in the face of the fact that in the last year currencies of competing nations have depreciated by going off the gold standard. Consequently, the cost of living has lowered in 30 countries. So that this becomes a flat issue which every farmer and workman in the United States must consider from the point of view of his home and his living.

That it is the intention of the Democratic candidate to reduce the tariffs—on all commodities—must be clear from typical expressions used in the course of this campaign. It is styled a "wicked and exorbitant tariff." It is referred to as "its outrageous rates," "almost prohibitive tariffs," "the notorious and indefensible Smoot-Hawley tariff," "the excessive rates of that bill must come down," "until the tariff is lowered," "our policy calls for lower tariffs" and so on and so forth.

² The table to which the President referred is printed in the note to Item 364.

Now, I would like to put the question to our own people both on the bench and on the farm: Do you want to compete with laborers whose wages in their own money is only sufficient to buy from one-eighth to one-third of the amount of bread and butter that you can buy at the present rates of wages and the present price of commodities bad as they are? That is a plain question. It does not require a great deal of ingenious argument to support it or find its correct answer. It is true that we have the most gigantic market in the world today, and we are surrounded by nations clamoring to get in. But it is still my belief that we should protect this market for our own labor, and that we should not surrender to the labor of foreign countries as the Democratic Party proposes to do.

Now, on a matter of great importance to labor, that in order to hold the jobs which we have for our own people and to prevent further additions to our unemployed and thus prevent further burdens upon our communities, I have by administrative order practically prohibited all immigration from every quarter of the globe, except the relatives of our residents. It has reduced the numbers of people coming into the United States seeking employment to less than those who are departing. That order was issued 2 years ago. Had the net immigration taken place since the date of that order which took place in the 2 years previously, we would have had 400,000 jobs taken away from our people or had just that many more persons added to the unemployed. And even that might have been worse.

Now, there is nothing in which the American workman is more concerned than in preserving the integrity of the American dollar. The Democratic Party has at various times, and especially by the passage of the Patman bill through the Democratic House of Representatives on June 15 last, endeavored to undermine the integrity of the American currency through the issue of \$2,300 million of greenbacks. They were harking back to the disastrous experiment of some 60 years ago. If any of you will study what happened in Germany, or France, or Austria, or our own country at that period, long since past, when we have resorted or they have resorted to these measures in order to meet the immediate difficulties you will find that the major hardship fell upon the working people. There was a time when the value of the German mark was five

to the dollar. Then they tried this plan of relief to their economic difficulty. I have in my desk a 5 million mark note which I purchased, which before the entrance into the experiment would have been worth \$1 million, and yet I actually bought for \$1. The effect of that experiment and all other experiments of that kind is a subtle and steady reduction of real wages, right and left.

We have fought a great battle to maintain the stability of the American dollar, the stability of our exchange. We have fought in order that we might protect the working people of the United States.

Over and above and of infinitely more importance than all of the measures I have mentioned is the problem of restoring the great mass of normal jobs in our country. Emergency jobs have helped enormously, but the normal job is the permanent dependence of the worker. Emergency jobs will never heal the depression.

Obviously, the normal jobs lie in the production and distribution of goods and services; in other words, the factories, the mills, the mines, the railways, the public utilities, the stores, the offices.

And every part of this mechanism is lubricated by what we call credit. That is, the ability of the manager of a business to borrow money to buy his raw materials and pay his labor. Thus credit is the very lifeblood of this whole structure. It is the lifeblood of jobs. If credit fails the enterprise dries up; it withers and it dies. And jobs decrease or disappear.

Now then, what is the source of credit? That is the savings of the people themselves. These savings are gathered in a myriad of tiny rivulets of their deposits in the banks, their premiums to life insurance companies, their dues to benevolent and fraternal organizations, their payments to building and loan associations, and a score of other ways. These rivulets in total volume are a mighty river. Their waters are stored in credit reservoirs. These are the banks and the mortgage companies and the insurance companies and the investments in the services of industry and of business. Now, all this may sound trivial, but it is fundamental to an understanding of the processes that we have gone through and the measures that we have adopted.

Thus credit is born of the people themselves. What the people give,

the people can take away. The reservoirs of credit are built upon the confidence of the people in them, and fear is death to credit.

Now, when the great economic earthquakes abroad struck directly at the credit structures of those foreign countries, those shocks reverberated to us. I have already said that foreigners dumped their securities here at panic prices and demanded gold in payment. They claimed their deposits from American banks. They demanded cash for all the goods they had sold us. Our own people in fear drew out \$1,500 million of their savings from our own banks. Thus credit dried up. The managers of business turned in vain for the accustomed loans to pay for raw materials and to pay their labor.

Beyond all this contraction of credit was the fear and panic through the world, spreading its destruction into the United States. It imperiled the institutions in which were the savings of all of the other people, the savings of every fireside—bank deposits or insurance policies or investments. In this contraction of credit lay the dangers to everyone who owed money, for upon demand for immediate payment he was compelled to sell his property in a limited and vastly depreciated market and so was threatened with ruin.

Faced with these unprecedented perils, we took unprecedented steps. We refused to allow these destructive forces to run their course to chaos and ruin and to total unemployment. We organized the cooperation of the community. We thrust the strength of the Government as a shield before the people as has never been done before in the history of the United States and that for the purpose of protecting labor.

I have referred to these gigantic measures on other occasions. I will not take your time to again describe the weapons and instrumentalities that we have brought to bear in this battle. We have created them, and we created them to preserve your savings deposits, your insurance policies, and to protect you from foreclosure on your homes and your farms. We did it to hold for you the jobs you have and, finally, to recover the ground lost in the battle and restore the jobs which have been lost. That has been the battle of credit. The restoration of credit is the restoration of the lifeblood of this system and the restoration of normal jobs in the United States. It has been a great battle with inev-

itable casualties, but that battle is being won. Credit is being expanded, and normal jobs are coming back.

Now, the agencies and the instrumentalities that we have created are working day and night. They are producing results. September, as announced by the Department of Labor this morning, shows an increase of 3.6 percent in employment for the whole country for that one month alone. If these policies shall be uninterrupted, if we shall hold the financial integrity of the United States by maintaining a balance in our budget, these measures and these instrumentalities together with the courage and industry of our people will bring back our economic system a long way toward its normal functioning and the restoration of our people to their normal jobs.

Let no man say that things could not have been worse. Without these many measures, things would have been so much worse today that this moment would look like prosperity in retrospect.

Now, there is another phase of this problem in its larger vision. It must be clear to you and ought to be clear to the country that a major part of the shocks and dislocations which have brought this destruction were of foreign origin—not alone in the shortening down of our markets but in the crushing of credit through fear and the destruction of confidence throughout the world. They are not of American making. The fact that we have suffered from them implies in itself that labor and agriculture have a fundamental interest in securing greater stability abroad. Our self-containment is such that we can build back a long way on our own resources. But if it is possible to improve the internal stability of other nations, it would at once allow them to relax their emergency restrictions against exchange and the import of commodities; it would allow them to return to stable currencies and enable the world to be free from political shocks—all of which would build for American markets and for the American farmer and for American labor and for stability in American confidence. It would protect the American worker and farmer and businessman from a rising flood of goods due to depreciated currencies and lowered standards of living. To this major end, which means work for our unemployed and increasing

prices for our farmers, we have given steady devotion during this last year and a half.

I will not review for you the German moratorium which prevented the total collapse of the German people or the standstill agreement or a half dozen other measures in this direction. But I will point out to you that in an endeavor to strike at the root of such evils I have proposed that the armaments of the world should not only be cut by one-third but that the weapons and methods in use should be so altered as to increase the power of defensive weapons and decrease the power of offensive weapons. We not only thereby seek to remove fear and political shocks, but the substantial acceptance of this proposal would save the United States over \$200 million annually and through savings of taxation in European countries would increase their buying power by perhaps a billion a year. It would release a thousand energies amongst their people.

Further, we have taken part in the development of a world economic conference to be held later in the year to consider a multitude of monetary and other economic questions which will reduce the obstacles to recovery.

In this connection, with all these problems, the European war debts to the United States constantly arise. I have consistently opposed the cancellation of these debts. The Democratic candidate, to use his own words, proposes to reduce our tariffs so that out of Europe's profits through the increase of trade they would obtain from the United States, they could pay us these debt annuities. That is vastly worse than cancellation. That would take money out of the pockets of the American farmer, laborer, and businessman to pay Europe's debts.

In the constructive handling of this question I have stated that I would favor the utilization of the war debts to advantage agriculture and labor. Such action has already received the support of many leaders of both agriculture and labor.

I am confident that if these policies which we are proposing in building up in these three directions—that is, disarmament, economic stability of the world, and the proposed use of these debts to secure the ends I have mentioned—I believe we can confidently hope to pro-

mote more rapid recovery and that we can greatly safeguard ourselves from future economic shocks.

Now, that briefly is the record of organization and the measures that we have taken in aid to labor. It is radical in its defense of our people's interests; it is progressive in constructive advancement of our people, but it is conservative in maintaining the fundamental principles of American life.

Now, I should like to digress for a moment to a purely personal matter which I have some hesitation in expressing. In my hand I have a copy of the instructions issued by the Democratic National Committee to their speakers. I find a paragraph referring to my "dark labor record." I am glad to say that is neither pink nor red. But what they do say is: "First and indelible, his early record is clouded by his former partnerships which contracted cheap Chinese coolie labor in South African mines." It goes further with references to statements of Democratic leaders grieving over this coolie labor and implies that I engaged in the slavery of human beings.

Now, that calumny has been disproved and denounced time and again. Some of my friends have even gone to the extent of digging up the public records of 28 years ago, which show that at the time Chinese labor was imported into South Africa mines, that I publicly protested on the grounds that high-paid skilled labor could do the work more efficiently. And furthermore, no South African concern with which I was ever connected and I was employed as an engineer, ever employed a single Chinese laborer. But more important in connection with this, I happen to have in the files in Washington, from the man who first penned and spread those lies, a statement under oath, humbly and abjectly withdrawing them.

Such contemptible statements in a political campaign would be ignored—should be ignored—were it not issued by the authority of the Democratic National Committee as a part of this campaign, and it would be of no interest to the American people except that it is proposed that a political party shall be placed in power over 120 millions of people on the basis of votes secured in that manner.

I should like a moment also to shortly indicate the Democratic record of action during this trying period that we have gone through in the past 12 months. The Democratic Party has laid before the country its program both in the last session of Congress and in the promises of its candidates.

At no time in the history of the country have we required more constructive statesmanship than in this last 2 years. The Democratic Party in the last congressional election promised a definite program for restoration of the country. That program was not disclosed until 18 months later in the House of Representatives which they controlled. Aside from the highly patriotic support which I always acknowledge of many of their members to our program, the organized program of their party was evidenced by passage of one act after another through the House of Representatives which had to be stopped either by veto or successful opposition in the Senate or through public support. Those bills consisted of an omnibus pension bill; of an order to the Federal Reserve Board and the Treasury to fix prices in the United States, which they could not physically carry out; of a \$1,200 million pork-barrel public works bill; of the payment of a cash bonus to veterans of \$2,300 million; of the issuance of \$2,300 million of old-fashioned greenbacks, which I have referred to; of the destruction of the effectiveness of the Tariff Commission; and the placing of the United States Government into direct and personal banking on a stupendous scale.

Instead of decreasing governmental expenditures, as they had assured the country that they will do if they were given full control of the Government and that they have promised that they will do, they failed to accept the recommendation of the administration for reduction of expenditures, and on top of it passed measures that would have increased them by \$3,500 million.

We are willing to rest our case upon the comparison of these records of actual performance—not upon promises.

In closing, let me carry these issues to a plane above any personal considerations. I have discussed with you tonight the battles we have fought, the measures and policies we have in action which more particularly relate to those who work at the bench and at the desk. Parallel

with these actions other battles have been fought on a score of fronts, on behalf of agriculture, and of industry and business, to which the welfare of every worker is indissolubly related.

We have been fighting not only as an administration but as a people, to relieve distress, to repel impending catastrophes and to restore the functioning of our economic life. This economic system has but one end to serve. That end is not the making of money. It is to create security in the millions of homes of our country. It is to produce increasing comfort, to open wider the windows of hope, to increase the moral and spiritual stature of our people, to give opportunity for that understanding upon which national ideals and national character may be more and more strengthened.

In securing these ends the first necessity is to preserve those precious heritages and principles which have come down to us forged in the fires of long generations of Americans. They are principles and institutions which, while they have the imperfections of humanity, yet they represent the highest expressions of human attainment in thousands of years.

And to me a great historical truth has been revealed during this period of trial and of stress. This is the striking fact, driven home above all others, that never during these trying weeks, months, and years has the soul of America yielded to the bitter sting of defeat. Bewilderment and dismay have seized upon some of our people, but never did the spirit of America itself surrender. Never for an instant did the American people lose faith in the principles of their Government, of their institutions, or their country, or their faith in their God. Had America not stood staunch in this world storm, had it surrendered, had our people lost faith, the tide of disintegration might now engulf us all.

It has been the intangible and mighty forces of this unconquerable spirit of the Nation that has overcome the dangers and perils which might have plunged the world into a long period of chaos. Incessant above the storms in business, above the din of political debate and legislative battle, there has been the firm, strong voice of the people bidding that we should carry on.

No one who has seen this battle as I have seen it, who has watched the bright fabric of recovery woven laboriously day by day, with the stout efforts of American faith and confidence in her people, could harbor a doubt for the future of the American people.

If there shall be no retreat, if the attack shall continue as it is now organized, then this battle in the history of our race is won.

NOTE: The President spoke at 8:30 p.m. to an audience of approximately 30,000 people assembled in Public Hall. The National Broadcasting Company and the Columbia Broadcasting System radio networks carried the address.

In his opening remarks, the President referred to David S. Ingalls, Assistant Secretary of the Navy for Aeronautics, who was Republican gubernatorial candidate in Ohio.

The above text is a transcript taken from a sound recording of the address.

338

Radio Address to the Nation on the Campaign for Community Funds for Relief.

October 16, 1932

THE PURPOSE of this appeal this evening is to summon again the great heart of the American people. We must make our material provision for the support of our charitable and character-building institutions. We must provide to the utmost extent for the local community support to the increased distress over the country.

I take profound pride in the fact that my countrymen have accepted the responsibility, each in his own community, to meet this need. That is the only way to meet it effectively—in the neighborhood itself, where the need is known.

The normal burden has been easily met in the past, and in the past 2 years we have responded to the unusual burden.

This personal sense of obligation, and the desire to give, have added to these community funds a wealth of human sympathy that has meant much indeed to those who have received aid from them. Not only have their material needs been supplied but a friendly hand has added a precious warmth besides.

I have confident faith that the overwhelming majority of our people will not allow themselves to be tempted into doing less than their uttermost to a cause so charged with civic duty and so rich in appeal to every generous instinct of their hearts.

For the past two winters, this campaign for community funds for relief was carried on by committees which I have organized specifically for that purpose. This year the National Association of Community Chests has taken the responsibility of organizing the work of voluntary giving in every community. They represent the cooperation of all these agencies. The funds they gather will be disbursed in relief through these existing agencies upon an agreed division of the work. Thus the appeal for funds is centered locally in the one group, in order to simplify and expedite their collection.

In closing let me say that no richer blessing can fill your own hearts than the consciousness on some bleak winter's evening that your generosity has lighted a fire upon some family's hearth that otherwise would be black and cold and has spread some family table with food where otherwise children would be wanting. I wish my last word to you to be the word "give."

NOTE: The President spoke at 6:30 p.m. from the White House as part of a program opening a series of nationwide broadcasts on behalf of the Welfare and Relief Mobilization of 1932, a national effort to raise funds for unemployment and other forms of economic relief.

The National Broadcasting Company and the Columbia Broadcasting System radio networks carried the address.

339

Message to the Federation for the Support
of the Jewish Philanthropic Societies.
October 16, 1932

[Released October 16, 1932. Dated October 15, 1932]

IN A YEAR when all privately supported philanthropy is being put to the most severe test the success of Jewish federations appeal for funds

is doubly important. Your notable achievements in years past give me confidence that your community will again respond to your call. I wish you every success.

HERBERT HOOVER

[Felix M. Warburg, 1 West Forty-seventh St., New York City]

NOTE: The message was read at a dinner commencing the societies' fundraising drive. The dinner was held in the Commodore Hotel in New York City.

340

Message to a Testimonial Dinner
Honoring Charles H. Johnson.
October 17, 1932

[Released October 17, 1932. Dated October 6, 1932]

My dear Mr. Ridder:

I am deeply interested to learn of the testimonial dinner to Dr. Charles H. Johnson to be held on October 17th. This is a deserved recognition of his many years of faithful and fruitful service in works of social welfare. I recall his splendid services with me in American relief in Russia and I wish to add my tribute of admiration and my best wishes to those which will be showered upon him.

Yours faithfully,

HERBERT HOOVER

[Mr. Victor F. Ridder, Chairman, The Charles H. Johnson Testimonial Dinner Committee, N.Y. State Department of Social Welfare, Albany, New York]

NOTE: The message was read at a dinner held in the Hotel Astor in New York City. Dr. Johnson was retiring as commissioner of the New York State Department of Social Welfare.

341

Message to the Cotton Textile Institute.
October 19, 1932

[Released October 19, 1932. Dated October 18, 1932]

THE SEVENTH ANNUAL meeting of The Cotton Textile Institute comes at an auspicious time. In recent months we have seen a gradual but nevertheless definite increase in operation in many lines of American industry. This from all reports has been particularly true in cotton textiles. With cotton mills normally employing more workers than any other manufacturing industry, any improvement in your situation is bound to have an important bearing in the general economic recovery. I am confident that much of this progress has been due to constructive cooperation in social and economic planning. Your members have my best wishes for continued success in its activities looking to increased cotton consumption and better stabilization of operations and employment.

HERBERT HOOVER

[Mr. George Sloan, President, Cotton Textile Institute, 320 Broadway, New York City]

NOTE: The message was read at the opening session of the institute's annual meeting.

342

Telegram to the Chairman of the Republican Party
Campaign in Southern California About Oil Tariffs.
October 19, 1932

[Released October 19, 1932. Dated October 18, 1932]

I HAVE your telegram stating that Democratic agents despite all proof to the contrary are still circulating misleading statements through the oil fields that I have been opposed to relief to the oil industry because

546

of my supposed interest in foreign oil and that I opposed the tariff on oil. This is usual type of politics. I have not in fifteen years since I entered public service had a dime's interest outside of the United States of any kind including oil. I supported the oil tariff in revenue bill and signed that bill. Without the support I gave I do not believe it would have received sufficient vote from non oil sections to have been carried.

HERBERT HOOVER

[C. C. Teague, Santa Paula, California]

NOTE: Mr. Teague had reported that California oil workers were receiving political pamphlets charging that the President had opposed an oil tariff because of his interest in foreign oil wells.

343

Letter to the Chairman of the Silver Bow County
Republican Committee on the World Economic Conference.
October 20, 1932

[Released October 20, 1932. Dated October 17, 1932]

My dear Mr. Hudtloff:

I am glad to receive your telegram calling my attention to the misinformation given in recent public meetings in Butte in respect to the calling of a Silver Conference.

Something over a year ago I had informal inquiries made, as is the usual custom, of important governments as to whether they would be prepared to attend a silver conference to be called by the American Government. They stated that they would not be interested in such a conference. At subsequent dates on being approached by minor governments who were anxious to secure such a conference, we suggested that they endeavor to see whether they could secure attendance of the principal foreign governments at a conference which they would call, and that we would be glad to attend and cooperate. We also suggested that regional conferences might be held at which we would attend. Finally,

upon the proposal of the British Government that there should be called a World Economic Conference to take place late this year, I made it a condition of our acceptance that the whole silver question should be put in the agenda of that conference and that it should be fully dealt with. That has been agreed to, and recently I stated that I should appoint a member of the delegation to that conference representing the silver interests of the United States.

The Congress has been passing resolutions for twenty years asking for an international conference on silver. Various Presidents have endeavored to secure such a conference. They have all failed because there are governments in the world that are not particularly interested or opposed to any special action. The arrangements which I have succeeded in making in the last few months in respect to the World Economic Conference is the first time that any constructive step has been taken in this direction.

I am anxious to secure the improvement of the silver situation in the world and will take part in any constructive measures to that end. Otherwise I should not have insisted upon this question being fully considered at the forthcoming World Economic Conference.

I am glad that your telegram enables me to give this information and record a statement not only as to the action of the Administration but as to the utter misleading character of these statements which have been made to the people of Montana.

Yours faithfully,
HERBERT HOOVER

[Mr. Paul Hudtloff, Chairman, Republican County Committee, Butte, Montana]

NOTE: The letter was in response to Mr. Hudtloff's request that the President respond to Democratic charges that the administration had taken no action toward calling an international conference on silver.

344

Message to the Wyoming State Chairman
of the Hoover-Curtis Committee
About the Protective Tariff.
October 21, 1932

THE COMING ELECTION is of vital interest to every citizen of your State whatever his or her occupation may be. Your fundamental industries and the welfare of all your people are absolutely dependent upon a protective tariff, which has been guaranteed you by the Republican Platform. I believe in a protective tariff on live stock, hides, wool, and on all products of the farm, the ranch and the mine. Especially do I believe in a protective tariff, not in a competitive tariff, for your beet sugar. Without such protection this industry, so vital to the welfare and prosperity of your State, would be destroyed, your factories closed and your most valuable farm lands forced into other crops and into a market already suffering from overproduction. A large part of my life has been devoted to the mining industry and I have a warm sympathy with as well as understanding of Rocky Mountain problems.

HERBERT HOOVER

[Roderick N. Matson, State Chairman, National Hoover-Curtis Committee, Cheyenne, Wyoming]

345

Message to the First Voters' Donovan-for-Governor League.
October 21, 1932

[Released October 21, 1932. Dated October 17, 1932]

My dear Mr. Lewis:

Will you please be good enough to extend my cordial greetings to those assembled for the meeting which your League is arranging for October 21st and my warm appreciation of their invaluable cooperation

in carrying on the high ideals of the Republican Party. The battle will be won by such aggressive campaigns as you are waging.

Yours faithfully,

HERBERT HOOVER

[Mr. Edwin D. Lewis, First Voters, Donovan-for-Governor-League, Hotel Biltmore, New York City]

NOTE: The message was read at a rally at Erasmus Hall High School in Brooklyn, New York. William J. Donovan, a prominent lawyer and former Assistant Attorney General, was the Republican candidate for Governor of the State of New York.

346

Rear Platform and Other Informal Remarks
in West Virginia, Ohio, and Michigan.

October 22, 1932

[1.] CHARLESTON, WEST VIRGINIA (Laidley Stadium, 8:50 a.m.)

My fellow citizens:

I wish I had the ability to express the appreciation which I feel for so great a welcome to West Virginia. I realize that at this hour in the morning this is a demonstration such as has been shown to no public man over many years. We have but a few moments, and I wish to touch on one or two themes which are of importance to the people of West Virginia.

The Democratic candidate for President and his party propose to reduce the tariff. He states that the protective tariff is a ghastly jest. That becomes a curious description of the great industrial development of this State.

Right here the Kanawha Valley, once a wilderness, has become the great chemical center of our country. That industry would never have been created except by the protective tariff, and it cannot survive today and the people obtaining their daily bread from it could not continue their jobs if that tariff be reduced.

The protective tariff made possible all the plants in this valley and the employment of the people in them. That great American policy, adopted and fathered and defended by the Republican Party, has also made possible the steel, glass, and pottery industries in this State. All these plants are today the backbone of your employment and business. They give the market to your agriculture. They will continue to do so for generations unless they are destroyed by this promised action of the Democratic Party.

Due to depreciated currencies in foreign countries, the present tariffs have been seriously impaired lately in a number of commodities. The depreciation in currency has the effect of lowering wages and lowering standards of living in our competitive countries.

Four years ago I directed a survey to be made of the cost of living amongst workers in the lands competing within foreign countries, using as a common denominator the amount of bread and butter that could be purchased at retail with a workman's wages in each country. I found that in the highest wage countries outside of the United States they could purchase about one-half as much bread and butter with current wages as could be purchased by the workman of this country. I found that in the countries of lowest wages they could purchase with their wages only about one-third of the amount of bread and butter that could be purchased by the American workman in comparable occupation.

Recently I had this situation resurveyed in view of depreciated currencies. I found that in the highest paid countries, instead of being able to purchase one-half as much bread and butter as an American workman, they could today only purchase one-third as much. And in the countries of lowest standards of living, instead of purchasing one-third as much, they could only purchase one-eighth as much of the amount of bread and butter at present wages in the United States as they could 4 years ago.

In the face of this the Democratic Party proposes to reduce your tariffs. In the face of this I have asked the Tariff Commission to reinvestigate the whole rates on many commodities to see whether the tariff is giving the actual protection which is the spirit of the present law.

And now the Democratic Party promises to destroy the effectiveness of the Tariff Commission. That is a bipartisan body directed upon application of any substantial person to investigate and determine what is the difference in cost of production at home and abroad, and to report their recommendations to the President for any change in the tariff. The President makes these changes effective by Executive order.

The Democratic Party proposes to take away this power of recommendation to the President, reduce the Commission to a statistical body reporting to Congress. This effective authority of the Tariff Commission was secured by me with the help of the Senator from your State in the last tariff bill. To take that authority away means to take away the ability to change the tariff with changing tides of economic life. It means that no remedy may be had except by action of Congress which again means the old scenes of logrolling, greed, and compromise, with stagnation of business for years before final action is arrived at. I have said many times that no tariff bill is perfect but under the Commission its inequities can be removed and the rates of duty can be adjusted in the shifting economic situation, schedule by schedule, without disturbance of business and based solely on fact. The reason they wish to destroy this independent authority is obvious. So long as the Tariff Commission holds this position they do not dare to criticize schedules in the tariff because at once any valid criticism could be promptly answered by investigation and remedy through the Commission.

But of more importance from this purely political point, the Democratic Party would not wish to reduce the tariffs and have the Tariff Commission promptly restore them. In order to attack the tariff they have set up an ingenious hypothesis that it prevents imports into the United States and thereby decreases the ability of foreigners to buy our goods, and they say to the American workman that he would produce and sell more goods for export if there was a lower tariff. I call your attention to the fact that 93 percent of the market for the American workman is within the borders of the United States and 7 percent outside the borders. They propose to place our 93 percent at the disposal of all countries in the world with the fantastic idea that the American farmer and worker can reduce his standard of living so

as to increase his part of the 7 percent, by reducing his standards to those of labor which can only buy one-third as much bread and butter.

They say that the decrease in our exports during this crisis has been due to retaliatory measures against our tariff. This can be disposed of in the easiest fashion in the world. Two-thirds of the goods imported into the United States are on the free list and the decrease in our imports has been just exactly in the same percentage on free goods as it has been on dutiable goods. It must be obvious that some force is working in the world which affects free goods just the same as protected goods. I could give you still a further answer in the fact that American trade has fallen in the worldwide depression from the same causes that have affected other countries and in about the same amount or even less than other countries. I would also call attention to the fact that since our great measures for recovery have been in free action during the past 4 months, imports and exports of the United States have increased 23 percent.

If the stories you are told are true, that our trade has been destroyed, this increase must come as a great disappointment to the Democratic Party. The fact is that foreign trade comprises but a small portion of our national activities. It is a valuable portion but when we consider the well-being of American homes and families the preponderant safeguard to those families lies in maintaining for them the domestic market of the United States.

There is no part of this Union where these matters so definitely apply as to this very State of West Virginia where the dangers to you and your employment and living are so great by change in our policies.

There is another question of vast interest to the people of West Virginia and one of ranking importance with your agricultural activities and second only to that of all States in the Union—that is your bituminous coal industry. That industry has gone through a long period of difficulty. The competition of oil, electricity, improved efficiency in use of coal—all tend to prevent the expansion of your industry, or even its maintenance on a fair level. These competitors have in my view about exhausted themselves and the natural growth of the country will give to you a greater future. But in the meantime the industry has

been reduced to a bitter, destructive competition, the main burden of which falls upon the backs of those who labor. I know the hardships that have been piled upon this industry and the men engaged in it. A large part of my life was concerned with the mining industry. I have worked with a pick and shovel at the face; I have managed coal mines on a large scale. I am interested in the restoration of that industry as every man is interested in the welfare of an industry in which his own profession is involved.

The coal we use in steel, chemicals, and manufactured articles, is itself dependent on the tariff, for without the tariff on those goods there would be no demand from those manufacturers for coal. Therefore, the welfare of the coal industry is tied up with the maintenance of an adequate protective tariff on industry, for which we stand. That tariff has contributed to prevent further unemployment in the mines.

In order to protect the industry and the labor engaged therein from the competition of foreign oil, I cooperated with the Senator from your State and others in securing an excise tax on the importation of foreign oils produced by cheap labor and transported here as a substitute fuel.

Some years ago, being impressed with the absolute destruction of our national resources and the impoverishment of labor through destructive competition in the coal industry, I suggested there should be some measure of cooperation in the marketing of coal. Ultimately, leaders of the industry took the matter up, and we have recently had a test case before the courts as to whether limited cooperation of this character would be a violation of the antitrust laws. The first decision of the courts has been adverse to the industry, but in order that this matter might be placed on a sound and permanent basis, I recommended to the Congress 2 years ago that we should institute an inquiry as to the economic working of these laws as applied to the natural resource industries. I pointed out that destructive competition was creating wasteful and destructive use of the natural resources, impoverishing the operator and the worker. I pointed out the situation in the bituminous coal industry as an illustration.

No action having been taken by Congress a year ago I again returned to the subject and stated that it was necessary that some change should be made in the laws in this relation. I recommended that Congress give it immediate consideration. Neither you nor I wish to destroy the fundamental basis of competition in our country. But a limited cooperation to prevent this destructive action should be undertaken. We have already extended this privilege to your agriculture and labor. The coal industry could have such safeguards as would make it possible to pay a fair wage, earn a reasonable profit, and save hundreds of communities from their steady degeneration and impoverishment.

And I do not wish to be misinterpreted as favoring the repeal of the antitrust laws. I am opposed to monopolies. I am for the maintenance of the fundamentals of competitive system as the only basis on which progress can be stimulated and maintained. There can be a degeneration of competition of such destructive order that it becomes of first importance in the maintenance of proper homelife amongst our people. We have the statesmanship in the Republican Party to solve this question also.

Now, my friends, tonight I shall have opportunity to speak at length upon the measures which we have inaugurated for overcoming the present national emergency. I am in hopes that many of you may have opportunity to listen to that address. I am glad to inform you that these measures have proved so powerful and so potent that the country is beginning to right itself and shows improvement in every direction day by day. Our people are beginning to return to work. The signs of economic life show in every quarter. That is proof of the soundness, the ability, the character, and the willingness of the Republican Party to bring the full strength and power of the Federal Government to the protection of our people in times of need.

I wish to thank you for this magnificent reception you have given me on this occasion. It is heartening, and it is evident that the country has an understanding of the problems before it. And it is proof of what the action of the country will be in support of the Republican Party on the 8th day of November.

[2.] HUNTINGTON, WEST VIRGINIA (Pavilion at the station, 10:40 a.m.)

I wish that every citizen in this country could have the privilege that I have had this morning of coming up the great Kanawha Valley, of seeing the huge industries that have been developed in this State, most of them within the last 10 years.

West Virginia has been transformed in a shorter space of time than any other State from the frontier of mining and lumbering to one of the greatest industrial centers of the Nation. Under the protection of a Republican tariff your conjunction here of lumber and coal, of oil and gas and waterpower has made for you the opportunity of enormous development. You are developing in West Virginia one of the greatest industrial areas in the United States. You can only go ahead with the development that has taken place under adequate tariff protection.

The tariff is easy to understand. It is the maintenance of duties on the imports of goods from abroad which will prevent those countries from taking your markets at unfair prices. By unfair prices I mean prices based upon lower standards of living than we demand for the American family and the American home. We are first interested in building up the American people. We are interested in increasing the security and the comfort of their lives. We are not ungenerous. We know that with prosperity in the United States our people will purchase more goods of foreign nations than we could ever purchase if we are to impoverish our people to the extent of the impoverishment of foreign countries. We are endeavoring to build up a standard of living, a standard of comfort, and a basis of hope and opportunity such as the world has never seen before. And the first safeguard is that we shall maintain protection to our people both by the tariff and by the limitation of immigration which would by competing at your factory doors reduce your wages and standards of living.

Those are fundamental policies of the Republican Party. Our Democratic opponents state they will reduce these tariffs. They have made no declaration as to what they will do in the matter of immigration,

and surely they have the vocal capacity with which to express themselves upon this or any other subject of interest to the American people.

I regret that I am not able to speak to you at greater length. It is difficult in this time of great national crisis for me to leave Washington, where my first obligation lies in the duties of my office as President of the United States. I am devoting weekends to public addresses in order that the people may better understand the policies of this administration and of the Republican Party. But of necessity my time is pre-occupied by the administration of those unprecedented and gigantic measures which have protected this country from the disaster which overhung it and to administer those measures in such a fashion today as to bring about recovery of employment and agriculture.

I am happy to tell you that during the last 3 or 4 months, since we were freed from the obstruction of the Democratic Party in the Congress, these measures have proved themselves so vital and so potent and so powerful that we have begun to see the evidence of recovery in every part of the country. That recovery will continue if there is no change in these policies and these measures.

I shall speak at greater length on these subjects tonight. For this occasion I wish to express to you my heartfelt appreciation of your coming here to welcome me and of this evidence of the support which you will give my policies and the policies of the Republican Party on November 8.

[3.] KENOVA, WEST VIRGINIA (Rear platform, 11:02 a.m.)

Fellow citizens:

It is a great pleasure to be here this morning, not only because it is always a pleasure to travel across the State of West Virginia with all of its wonderful scenery and because this is a most extraordinary welcome of its people, but it is a great pleasure to be here with your senior Senator. Senator Hatfield has been one of the stalwarts, one of the reliances of the Republican Party since you sent him to the United States Senate. Although he is not up for election this time, I hope you will keep in mind that the American people need his continued service

and that you will not forget when the time comes to send him back to Washington.

There are many things one could discuss that are of interest to West Virginia—the tariff, immigration, development of your industries, especially the emergency measures which we have in motion to promote the recovery of the country from the great crisis which we have gone through. I may tell you that it is my confident belief that we have overcome the danger of great disaster to our country and that we are now on the road to recovery.

I shall be speaking to you more at length this evening from Detroit. I am hoping that many of you may have the opportunity to listen in. But for this occasion I wish to express my deep appreciation for the welcome which you and the others of West Virginia have shown to Mrs. Hoover and me this morning. It is evidence of the support which you will give to me and to the Republican Party on the 8th day of November.

Thank you.

[4.] IRONTON, OHIO (Rear platform, 11:33 a.m.)

Fellow citizens:

I am intensely sorry that we have stopped a hundred yards from the microphone because I fear you cannot hear me. But I should like to express my appreciation of your welcome to the State of Ohio. This is not the first time that I have visited Ironton because while I was Secretary of Commerce I had occasion to come down the Ohio River and to inspect those works and others of the great development on the river.

I should have liked to have had the opportunity of discussing with you some of the things in which you are interested. It seems impossible to reach so enormous a crowd in the open air without the assistance of the microphone. For that you will have to blame your local railroad officials on this occasion and forgive me.

But I do want to express to you our appreciation for your coming here this morning, for the welcome that you have given to Mrs. Hoover and to me. It is evidence of the support which you are giving to the policies

of my administration and the support which you will give to the Republican Party on the 8th of November.

Thank you.

[5.] PORTSMOUTH, OHIO (Rear platform, 12:15 p.m.)

My dear friends:

I am sorry that the train did not stop so that we might bring the microphone to the back platform. I am glad to have this opportunity to express my appreciation for the greeting which you have given this morning to Mrs. Hoover and to me, and to give to you that thanks which is due for your attendance here on this occasion.

I had hoped to have an opportunity to say a word to you about those measures of the Republican Party which are of importance to you.

I congratulate you that your splendid shoe industry has been able to maintain itself so well during the world depression. That you are able to maintain it today is due solely to the protective tariff placed upon shoes 2 years ago by the Republican Party. Otherwise the importation of shoes manufactured under the lower standards of labor in Europe, due to their depreciated currencies, would not have enabled you to sell them, and the factory in your city would have been idle at this moment.

Now, there are many measures of our party which I would like to have expounded to you at great length. Tonight I shall speak at Detroit on those questions in which you are vitally interested. I am in hopes I shall be able to indicate to you that these measures have proved very effective, and that they are today turning our country on the road to recovery, with the resultant employment and the improvement of agriculture.

Again, I thank you for this cordial greeting, and I accept it as an evidence of the support which you propose to give to the Republican Party on the 8th day of November.

[6.] WAVERLY, OHIO (Rear platform, 12:53 p.m.)

Friends:

I deeply appreciate the welcome of Waverly. It is a fine greeting and

gives encouragement and strength to the labors which rest upon the President of the United States.

Waverly is a farm town. You are interested in farm questions. Recently at Des Moines I had occasion to speak at great length on the problems that are involved in the agricultural industry in the United States and I made some suggestions as to the method of relief. It was based upon one primary fact, and that is that there are no panaceas or miracles in the world; that the whole of our country must pull out of this depression together. This depression came upon us from abroad. We have built measures and instrumentalities which have protected our people from disaster, and they are today moving our country forward toward recovery.

In Des Moines I stated some 12 points that I thought were of interest and of fundamental importance to the development of American agriculture. I do not propose to traverse those points at this moment, but to those amongst you who are farmers I express the wish that you will obtain a copy of that address, for it contains the most thoughtful consideration of the subject which I believe has been given to the agricultural problem. If you will obtain it, if you will read it, if you will consider it, if you will make up your minds upon it, I believe that you will vote the Republican ticket on the 8th day of November.

[7.] CHILLICOTHE, OHIO (Rear platform, 1:27 p.m.)

Recently at Des Moines I outlined a definite and constructive program for agriculture. It is designed upon the primary fact, from which no panaceas or miracles can escape, that farmers and businessmen and workers are all in the same boat. We must all come ashore together or we shall all sink together. I refused to present to the farmers any economic patent medicine or any proposals which I cannot fulfill. I refuse to offer generalities which offer easy exits from the responsibility of execution later on.

This program, so far as it directly affected agriculture, consisted of 12 points. Of these measures many are today in action—they are not promises, they are performances. They are beginning to have their effect on recovery from the greatest peacetime disaster that ever came

to a nation—a disaster not of American making, but a disaster spread to us from the wars and troubles of the Old World. I greatly hope that the farmers among my audience here will obtain copies of that statement at Des Moines and form their own judgment upon it.

[8.] CIRCLEVILLE, OHIO (Rear platform, 2 p.m.)

Friends in Circleville:

I wish to express the very great appreciation I have for this wonderful greeting from you. It is heartening. It is encouraging, and it is an indication of your attitude on the 8th day of November.

This is not an occasion on which to make a prolonged address on our national problems. I am speaking tonight in Detroit on them. I hope you will find an opportunity to listen in to that address. I shall endeavor there to set out the methods which we have adopted, by which we have saved the United States from a great disaster which threatened us from abroad, and by which we are bringing about now the recovery of the United States.

Many questions are of interest to you—many questions that go beyond the present emergency. I shall hope to have an opportunity to deal with them from time to time in the course of this campaign. The duties which are imposed upon the President of the United States and the loyalties to the American people are now such that I am not able to leave Washington except at the end of each week, and I am, therefore, not able to expound to you what we have tried to do and what we are now doing. I hope you will take it and accept it in earnest and serious loyalty to the interest of every fireside and home in our country.

I thank you again for your presence here and the greeting and encouragement that you have given to me.

Thank you.

[9.] COLUMBUS, OHIO (Rear platform, 2:55 p.m.)

My friends of Columbus:

I do appreciate this wonderful greeting. It is heartening. It is encouraging. It is stimulating. This is not an occasion for me to talk to you at length on national issues. I am speaking tonight from Detroit, and

I am in hopes that through the radio, that most wonderful invention of our generation, you will be able to listen because I shall there discuss the problems of this depression and the measures which have saved the United States from imminent disaster and the measures by which we have turned the tide and have now directed this country towards recovery of unemployment and agriculture.

A day or two ago, I received a letter from a citizen of Columbus asking that I should further expound our policies in respect to immigration. I am glad to answer that inquiry here and now in Columbus. The Republican Party has not been inarticulate (?)¹ in its declaration on this subject. Our opponents have not as yet explained to the country where they stand.

The Republican Party has been, over these many years, the constant exponent and the constant guardian of the protective tariff for industry. Its major purpose has been to protect the American workman in his standard of living and in the increasing comfort of his home.

If we are to maintain within our borders our own industries, if we are to maintain our standard of living higher than the rest of the world, the handmaiden to that policy must be that there should not be a flow of immigration, fleeing from the lower standards of living abroad, flooding our country and offering to work for less wage than the American workman, at the gate of every factory in the United States. It is just as important to protect the American workman from the movement of people into the United States to take over his job as to protect him from a flow of goods from abroad which would take away his job.

The United States has received invaluable contributions in its up-building, in the growth of its culture from the migration of the various races of Europe. It has held its doors open to those who have fled from persecution, both religious and political. With the growth of democracy in foreign countries political persecution has largely ceased. There is no longer a necessity for the United States to provide an asylum for those persecuted because of conscience.

¹ The question mark appears in the transcript.

It is important that we should restrict immigration in order that those who are already resident in our country may not be driven into unemployment. We should be wise and humane in our restrictions. It must not separate families. It must not prevent the coming into our country of the relatives of residents already here. It must in ordinary times allow a flow of selective stream of peoples to refresh our population with the ideas and contributions of foreign countries to our civilization. It must recruit from them our share of their advancing skill and their advancing knowledge. It should be based upon our determination of who shall come. But in times of great crisis like the present where we have millions of unemployed, it is an injustice and inhumanity to our own residents that we should allow the entry of people fleeing from starvation abroad. The obligation remains upon those countries to take care of their own people.

Therefore, by Executive order 2 years ago I stopped the entry of all immigrants to the United States except the relatives of residents who are still here and a few other minor exceptions. Two years have now passed since that order was issued. If we had had the same immigration during these past 2 years that we had in the 2 years previous we should have nearly a half million more unemployed in our country than we have today. This would have added 500,000 new immigrants to be cared for by our public bodies and by our charitable associations. Or, alternatively, it would have taken 500,000 jobs from our residents and thrust them upon public charity.

I propose to continue this policy until the end of this depression, and after the end of the depression we propose to continue the policy of wise and selective immigration of a limited order. That is my answer to that question.

Now again I wish to express my appreciation for this greeting as it evidences encouragement that the State of Ohio will be carried under the Republican banner on the 8th day of November.

[10.] DELAWARE, OHIO (Rear platform, 3:43 p.m.)

My friends in Delaware:

You are giving to us a magnificent reception. This is indeed a great

greeting. It is encouraging. It is helpful. It is stimulating, and I deeply appreciate it not only for the warmth of feeling which it contains but for the forecast it is as to the action which you in this city and its surroundings will take on the 8th of November next.

You will realize that in so short a moment as this it is impossible to discuss national issues. I am making an address at Detroit tonight. Due to that miracle of our generation, the radio, many of you will be able to listen in. I shall discuss the measures which we have taken and which have saved this country from a great disaster which might have come to us or would have come to us from the collapse of countries abroad—those countries which were subjected to the aftermath of the Great War—a disaster which is not of the making of our people, a disaster which has now been prevented. I shall be able to discuss with you the progress which we are making in the recovery of the country by these same measures, and to say to you that we are on the road out.

I wish to thank you again for the cordiality of your greeting and the kindness of your coming here. We appreciate it enormously.

Thank you.

[11.] MARION, OHIO (Rear platform, 4:13 p.m.)

This is my fourth visit to Marion, Ohio. I visited it during the campaign of 1920 when your fellow citizen was the Republican candidate for President of the United States. I visited it again when we buried him, a man broken in the service of his country. I visited it again to dedicate the memorial which you erected to his memory.

There is no occasion for me to extol his great qualities of geniality of friendship and devotion to his country and to the citizens of Marion. There is no occasion for me to go into the sad disloyalties to him which crushed his spirit and brought humiliation to the American people. You and I know him as a man devoted to the people and devoted to his country, who gave his life in its service.

The greatest accomplishment of President Harding's administration was the limitation of armaments. I have followed in his footsteps in endeavor to secure further limitations on arms, in order that we may

again reduce the dangers to peace and develop stability and goodwill in the world.

Your Congressman [Grant E. Mouser, Jr.] has just referred to one of the activities of our Government. Perhaps not all of you are aware of the tremendous battle which we have fought during the last months to save this country from a great disaster which came upon us from abroad. That disaster has been averted. Unprecedented measures which we have inaugurated are today bringing about recovery from this depression. The incident which he has given to you is but one of its reflexes. They are penetrating into every town and every village in the United States in the restoration of employment and the gradual march backwards towards prosperity.

I deeply appreciate your welcome. It is heartening. It is encouraging and stimulating, and it is an indication of what your action will be on the 8th day of November.

I thank you.

[12.] FOSTORIA, OHIO (Rear platform, 5:13 p.m.)

Fellow citizens:

I have difficulty in finding expressions of convincing appreciation to you for the fine, generous greeting which you are giving to Mrs. Hoover and to me. It is heartening. It is encouraging. It is stimulating.

These are not occasions on short stops where I could discuss problems of great national issues. But it gives me opportunity to see you and to see your enthusiasm for the Republican cause, and it gives you perhaps the opportunity to look at me.

I shall speak tonight at Detroit. Through the radio, that great miracle of all times, many of you will be able to listen in. I shall then discuss with you the unprecedented measures and instrumentalities through which your Federal Government is endeavoring and is succeeding in placing this country again on the road to recovery. And it is on the road. I could not go along and discuss with you further of these problems without repeating what I will say tonight, but I do wish you to know how deeply I appreciate this evidence of your support, this backing that you are giving to the policies which we have inaugurated

and the measures which we have in action on your behalf and to receive this evidence of your action on the 8th day of November next.

I thank you.

[13.] TOLEDO, OHIO (Rear platform, 6:05 p.m.)

I need not tell you how much Mrs. Hoover and I appreciate your cordial greeting, particularly at this hour when you would normally be in your own homes partaking of your evening meal.

The last 18 months have brought sorrows to us all. Perhaps no community in the country has suffered more deeply than Toledo. When your banks were failing, and your businesses and manufacturing came to a standstill, my heart went out in sympathy to you, for I understood very well the hardships you were facing and must endure.

I have been trying to be of service to you in this situation. You will recollect the measures which we established to protect the depositors in banks, the insurance policyholders, and the owners of mortgaged homes. I asked the Democratic House of Representatives to give us the authority to give relief to depositors in closed banks. They refused. But at my suggestion the Reconstruction Corporation has undertaken to grant loans to closed banks so that depositors would not have to wait until such banks were liquidated in order to get a substantial part of their distributive share of the banks' assets. I am advised informally that some of your closed banks will shortly take advantage of this governmental assistance.

You know about the authority which I secured that the Reconstruction Finance Corporation should grant loans to needy communities for the relief of citizens from cold and want because this very week a loan of \$144,000 was made to your city for this purpose. We shall continue to assist you during the coming winter if necessary.

The creation of the Home Loan Banking System of which, according to the morning papers, even Governor Roosevelt approves, will also bring to a stop the foreclosing of mortgages and will give men and women a fighting chance to hold their homes. It should thaw out the frozen assets of your building and loan companies and provide funds to carry mortgages held by your closed banks. It will, I trust, be the means

of saving for many a family the home for which they have toiled and saved.

Your banks which have failed were all State banks, whose operations, of course, are not subject to Federal regulation. However, in a broad view the home loan bank will add greatly to the security of such institutions.

One thing more, at my request your distinguished fellow townsman, John N. Willys, whom I had appointed our Ambassador to the Republic of Poland, agreed to lay aside his honors and once more assume the active management of your largest and most important industry which a few years ago prospered so notably under his leadership. I commend his fine public spirit, and I am sure that by next spring the Overland² will again be filled with busy workmen.

Tonight I bring you a message of good cheer. The policies and measures which we have adopted, with which to fight the colossal world depression, are having their effect. Things are better even in your sorely stricken city of Toledo. If we make no major mistake, if we stick to our program for recovery and preserve the American policies which have stood the test of time, I am sure prosperity will again be won.

Toledo is a great industrial center. Many of its industries are absolutely dependent for their existence upon the protective tariff. But Toledo is also the center of a great agricultural region, and no one is more dependent today upon the protective tariff than is the farmer in this section.

Our opponents propose to reduce these tariffs. They propose to reduce them in the face of depreciated currencies abroad. You, the farmers of this section of Ohio, have only to inquire the price of dairy products, the price of cattle, the price of hogs across the border in Canada to know that the only thing that preserves to you the market for your products and retains to you the prices which you have today, distressingly low as they are, is the tariff wall which runs along that border.

Recently at Des Moines I outlined a definite and positive and constructive program for agriculture. I showed that a large part of that

² Willys-Overland Co. of Toledo, Ohio.

program was in action today and that it is proving itself helpful. I refuse to present to you any panaceas or miracles. I refuse to present to the farmers any economic patent medicine, because no mortal can fulfill such promises. I offered a constructive program, and I believe the farmers of Ohio would be well advised, in considering any action they should take in their own interest, to obtain copies of the speech I made at Des Moines and give it the most careful consideration.

The Republican Party has always been the party in defense of agriculture. The Democratic Party has always been the party which lowered its tariffs and its protections. Our farmers should consider solemnly where their interests lie.

[14.] MONROE, MICHIGAN (Rear platform, 6:40 p.m.)

My friends in Monroe:

I wish to express the appreciation that Mrs. Hoover and I have for this greeting. It is encouraging. It is heartening, and it is stimulating.

You will realize that within an hour I am to make a prolonged address in Detroit, and through the miracle of our generation, the radio, you may be able, many of you, to listen to it. You will forgive me for not taxing my voice at the present moment because I have to hold it in reserve for that event. Nevertheless, I can make one remark which I believe is of interest to the people of Michigan, and that is that your community is dependent to a very large degree upon the maintenance of the protective tariff, and our opponents propose to reduce that.

Thank you.

NOTE: The President was en route to Detroit, Mich., where he was scheduled to make a major campaign address. Times provided for the President's remarks are approximations based on his itinerary.

347

Address in Detroit, Michigan.

October 22, 1932

Governor Brucker, my fellow citizens:

The most important issue before the American people right now is to

overcome this crisis. What our people need is the restoration of their normal jobs, the recovery of agricultural prices and of business. They need help in the meantime to tide them over until these things can be accomplished and that they may not go hungry nor lose their farms and their homes.

I wish to present to you the evidence that the measures and the policies of the Republican administration are winning this major battle for recovery. And we are taking care of distress in the meantime. It can be demonstrated that the tide has turned and the gigantic forces of depression are today in retreat. Our measures and policies have demonstrated their effectiveness. They have preserved the American people from certain chaos. They have preserved a final fortress of stability in the world. Recovery would have been faster but for 4 months of paralysis during the spring months while we were defeating proposals of the Democratic House of Representatives to increase governmental expenses by \$3½ billion, to issue fiat money, and other destructive legislation.

The battle must be continued. We have yet to go a long way and to capture many positions to restore agriculture and employment. But it can be made plain that if the strategy which we have established is maintained and the battle not halted by change in the midst of action, we shall win.

If we examine but a few indications, we find that since it was known that the destructive proposals of the Democratic House were stopped, over \$300 million of gold has flowed into our country through the restored confidence throughout the world; over \$250 million of currency has returned from hoarding of our own citizens because of the restoration of confidence at home; the values of bonds have increased nearly 20 percent, thus safeguarding every depositor in every savings bank and every policyholder in every insurance company. Manufacturing production for the Nation as a whole has increased by 10 percent. Some groups, such as textiles, have increased over 50 percent.

Contrary to the usual seasonal trend, building contracts are steadily increasing. The Department of Commerce shows that over 180,000 workers were returned to the manufacturing industry in August, 360,000 more in September, and there is evidence an even still larger number

in October. Car loadings have increased from 490,000 a week to 650,000 a week, showing the increased volume of materials moving in the country. Our exports and imports have increased by nearly 23 percent. Agricultural prices, always the last to move from depression, have improved from their low points, although they are still hideously low. Bank failures have almost ceased; credit has begun to expand. And every week some improvement is recorded somewhere.

As I have said, improvement would have begun 4 months earlier but for the fear of the destructive Democratic program. Today we would be moving faster in the restoration of farm prices and employment but for the threat that these destructive measures will be revived by a change in this election. The Democratic candidate for President has refused to renounce or disavow these destructive measures, or to give the country the assurance it deserves that he will not be a party to them, including the prepayment of the bonus. Observing this, and examining the dominant elements of this party under the leadership of the Vice-Presidential candidate, we can only assume that this program is still in abeyance, to be produced by them if they shall come into power. They have no right to complain that fear runs in the country.

The Democratic candidate has devoted most of his speeches to the presentation of numerous faults and wrongdoings in our economic system in which there is no new discovery. We may have much to do—we do have much to do in the future to punish wrongdoing and correct weaknesses in our system, but these corrections have but little bearing on our immediate national issue, and that is to restore employment, agricultural prices, relieve distress, so that fear and apprehension may be lifted from the homes of our people that they may be bright with hopes for the future. That is the first issue before the American people.

Before I discuss further the successful battle of the Republican administration to meet a worldwide emergency and to restore economic life, I wish to deal with some of the statements made by the Democratic candidate upon economy and the fiscal policies of this administration.

I have on previous occasions repeatedly called attention to the vast increase in public expenditures—local, State, and national—and the absolute necessity for their reduction as a fundamental part of national

recovery. The cost of all forms of government must be reduced. The burden of intolerable taxation must be lifted from the backs of men. While only 30 cents of the taxpayer's dollar goes to the Federal Government, yet I and my colleagues have worked hard to reduce even this amount. Much has been accomplished, despite the opposition of selfish groups and sections of our country and the unwillingness of a Democratic House of Representatives to cooperate. And much more must be done.

The Democratic candidate says that we have been extravagant and in his various statements implies that we should make a defense of our actions. There will be no defense because none is needed. The ordinary expenses of the Federal Government, except for relief purposes, have been reduced, while those of the government of New York have been increased. Moreover, there will be proof that the Governor of New York, no doubt through ignorance of our fiscal system or through misinformation supplied to him, and totally ignoring the actions of the Democratic House of Representatives, has broadcast a misstatement of facts. In consequence his conclusions are amazingly far from the truth.

I live with these expenditures morning, noon, and night. Not a day goes by that I do not have them before me for responsible action. There is not a year in the formulation of the budget when there is not a battle between selfish groups which would increase the expenditures of the Government right and left. Not a session of Congress has convened that I have not had to veto increases in public expenditures.

So few of the statements made by the Democratic candidate are in accordance with the record of the Government that it leaves me non-plused where to begin. It would take hours to dissect each line and paragraph, and I must confine myself to a few representative misstatements.

The Democratic candidate adopts the current method, which I shall follow, of discussing expenditures and not appropriations, and of expressing expenditures in sums less the postal receipts. The Governor also says that he wants to "compare only the routine Government outlay," "the ordinary costs of conducting Government," and excludes

all extraordinary items in his comparisons. On this basis, which I accept, he says, we have increased the ordinary, routine cost of the Government by \$1 billion between 1927 and 1931. I shall deal with that in a moment, but he omits to state that when the Republicans took office in 1921, Federal expenditures were still, 3 years after the war, at the rate of \$5,500 million, and that by 1927, which year he uses as a base, they were reduced to approximately \$3,585 million, or a reduction of nearly \$2 billion a year.

The Governor states that, in order to arrive at a true representation of the ordinary expenditures of the Government, he will deduct from each of the 2 comparative years—that is, 1927 and 1931—what he calls “an exceptional item”—that is, the reduction of interest and sinking fund on the public debt—and that he will deal in the case of each year with the residue. There was a reduction of \$268 million in the service of the debts from 1927 to 1931. The Governor implies that it is not fair to consider this as an economy. That is an error, for it is a true economy in Government. A large part of this reduction in the charge upon the national debt was the result of many years of steady, painstaking refinance to decrease interest and the application of other economies in expenditure to the reduction of the debt during Republican administrations. That accomplishment can scarcely be considered an extravagance.

The actual expenditures for the year 1927, and I give you the full figures, were \$3,585 million.

For 1931 they were \$4,220 million or an increase of \$635 million. Bear in mind the Governor says he wants to “compare the routine, ordinary costs of conducting the Government.” He also says, in the same statement, that he favors relief measures by the Government. He then neglects to inform the country that the increased expenditures for 1931 over those of 1927 were almost wholly for relief of this depression. This increase includes an emergency increase in public works and vessel construction to relieve unemployment of \$335,900,000. They include \$243,600,000 of emergency relief to the farmers. Beyond this they include \$112 million of emergency relief to the Postal Department because of the falling off of receipts from the depression itself.

They include a special payment to veterans on the bonus and other items for depression of \$124 million as a depression emergency action.

Thus we have a sum of emergency expenditures in relief of the depression of \$815 million, compared to the \$635 million of increase. If we adopt the Governor's own definition of the ordinary, routine expenditures and deduct this sum, if we adopt his policy, justification for relief measures by the Federal Government, then the ordinary, routine costs of the Government for 1931 were actually less than 1927—and not \$1 billion greater, as he has stated to the American people.

Let me explore the subject some further. The year 1927, chosen by the Governor, was an especially low year, an exceptionally low year, for reasons connected with the census and the national defense. If the Governor wanted to be completely fair he would have adopted the year 1929, the last year before my administration, in which you can be sure that there was no waste under President Coolidge. He not only practiced economy, not only preached economy, but he gave the most practical demonstration of it ever seen by the Government of the United States. Had the Governor adopted that year, with its total expenditures of \$3,848 million, and deducted from 1931 the extraordinary expenditures due to relief, he would find that there was an actual decrease in expenditures of upwards of \$300 million in the ordinary conduct of the Government during the present administration.

But of more importance than this, the Governor promises that he will reduce Federal expenditures by a billion a year.

It would help if the Governor would state what year, and upon what theory, he proposes to use as a base. It would appear inasmuch as he has adopted the promise of the Democratic platform that he proposes to reduce the expenditures below the gross amount of all kinds for the year ending June 1932. That is a good base to start from because the expenditures were a little over \$5 billion, due to the extraordinary measures of setting up the Reconstruction Corporation, financing the land banks, and a number of other large Government operations of purely temporary character, but yet charged to expenditures. If that is the basis, if he will compare the total expenditures of 1932, that is the fiscal year 1932, with the estimated total expenditures of the current fiscal year ending

1933, he will find a thing that he possibly knows already, and that is that the promised saving of \$1 billion has already been accomplished. He will find that, even though we are still struggling with expenditures forced upon us by the Democratic House. But more than this, if the economies proposed by this administration had been accepted by the Democratic House there would have been for the current year a further saving of at least half a billion more.

If we are supported by the American people, and if the Democratic House will cooperate, I will make for the next fiscal year a reduction from the totals of 1932, not a reduction of a billion but of \$1,500 million.

Now, I must tell you in all fairness that a larger part of this discussion depends on what year you use as a base. If the Governor means to reduce the Government expenditures \$1 billion below the "ordinary, routine" costs of the Government, taking the present fiscal year, as we call it, the fiscal year 1933, which we are now in, as a base, it might be implied by any reasonable mind, it is only fair that the American people should know where and how he is going to accomplish it. If he is warranted in making such an assertion, then he must know the Federal Government well enough to know the places where such reductions can be made.

In order to help him I may say that the "ordinary, routine" expenditures for the current fiscal year are estimated at \$3,647 million. Of these, \$1,980 million are for the public debt and certain trust and refund services to which the Government is obligated and cannot escape, together with the expenditures upon the Army and the Navy. In the present disturbed state of the world we must not further reduce our defenses without a general agreement for the reduction of arms. Thus, the Governor must find a cut of \$1 billion out of the remaining amount which is \$1,667 million of ordinary, routine Government expenditures. Now then, friends, of this sum, \$946 million is expended for veterans and \$216 million for ordinary public works, while all other costs of Government are about \$505 million, making a total of \$1,667 million from which we are now to deduct a billion.

This last item of \$505 million includes the cost of the Congress, the judiciary, prisons, tax collection, accounting, foreign relations, public health, maintenance of lighthouses and airways, merchant marine, edu-

cation, agriculture, various scientific bureaus, and a host of other critically important services. Assuming the wildest estimate, that these services could be reduced by one-half, that half of the lighthouses could be extinguished, that half the Federal prisoners turned loose on the public, the Governor would still have to find \$750 million of economy. And even if he stopped all of the public works, he would have to finally find \$500 million, and he would have to take it out of the one remaining item, that is, \$946 million which the veterans of the United States receive. That would be a gross injustice. But that is where rash promises inevitably lead.

The Governor points with satisfaction to the increase in expenditures of the Department of Commerce under my administration. He neglects to inform the American people that these increases were nearly all due to the transfer of bureaus to that Department from other departments with a corresponding decrease in expenditures in those other departments. Enough of that statement.

I would like to take your time for a moment to examine the record of the last session of Congress in its relation to economy and to compare it with the efforts of the Republican administration, for it is illuminating both on the Democratic platform and upon the Governor's promises and his ability to perform.

In October a year ago, we prepared the budget—it was formulated before the crisis had become completely acute—reducing expenditures by \$369 million over the previous year.

The situation having grown steadily more tense, you will recollect that in a message to Congress on December 8, I pointed out that revenues were falling steadily and then forecast a drop of \$1,600 million in revenue and that we must have even more definite and actual reduction in Government expenditures than was possible by executive action, and again repeated an oft-made recommendation for legislative authority to effect certain further economies by consolidation and the elimination of bureaus and so on.

As the situation became daily more and more tense, you will recollect that again, on January 4, I addressed the Congress and urged the grow-

ing seriousness of the situation and demanded that we must have "further and more drastic economy in expenditure."

On February 17, little over a month later, you will recollect, I urged upon Congress again "the absolute necessity for the most drastic economy" and proposed the methods by which such further economies could be brought about.

The reply to this urging for economy—the first reply—was not economy, but the passage by the Democratic House on the 4th of March of the Gasque omnibus pension bill, and I vetoed that bill.

On April 4, adequate action not having yet been taken by the Congress to reduce expenditures, you will recollect that I again addressed them, stating that the \$369 million of cuts originally recommended in the executive budget were entirely inadequate to the growing situation and proposed further savings which must be made only by legislative authority. I pointed out the gravity of the situation and asked that a national committee on economy representing the Senate, the House, and the executive should be appointed to review the entire question. The Democratic leaders all arose and at once denounced this suggestion as dictatorship.

Now, the House did appoint such a committee, but not under that name. The administration, the Republican administration, at once recommended to that committee that legislative authority be given to effect certain possible economies amounting to \$250 million and certain indirect economies amounting to \$50 million. At the same time we asked for more cuts from the appropriation committees. By the time these recommendations had filtered through the Democratic committee and through the Democratic House the economy bill had dwindled from \$250 million of savings to savings of under \$40 million, although the Senate restored a part of them.

Again, as if in reply to my urging for economies, on April 13 a bill which was not economy was passed by the Democratic House setting up a train of large Indian claims which had been settled 75 years ago, which again I was compelled to veto.

Some of you will recollect that on May 31, I addressed the Senate in person, pointing out the disastrous effect of the failures of Congress in

effecting economies and to balance the budget with the shocks to Federal credit, its responsibility for degeneration in the economic system, and I stated: "The probable decrease in revenues now is about \$1,700 million. It necessitates absolute reduction in governmental expenditures," and I demanded as a first consideration that we have more and more drastic economy. I asked for a total reduction of \$400 million in addition to my original proposal of December of \$369 million, making a sum of nearly \$800 million of economies. And I pointed out how they could be obtained.

Despite the desperate situation of the country, the helpful reply of the Democratic House, 8 days later, was not economy but the passage of the Garner-Rainey pork-barrel bill, one portion of which called for the increase in expenditure by \$1,200 million. I was compelled to appeal for public support in protest, and I am glad to say the public so rallied that that bill died.

Again showing their utter disregard of the Nation's plight, on June 15, the Democratic House passed the Patman bill for the cash prepayment of the bonus, requiring an expenditure of \$2,300 million. Again I protested publicly and asked for public support in stopping that bill. And it died.

Now, among other things, various conferences were carried on in an endeavor to arrive at an adequate relief bill, expanding the activities of the Reconstruction Corporation, but the Democratic leaders insisted not upon economy but on the inclusion in that bill of a new item of \$322 million of further expenditures from the Federal Treasury. Ultimately this bill passed the Congress. It contained not only that provision but other measures putting the Government into wholesale pawnbroking in the unlimited use of Federal Government credit. On July 11, I vetoed this bill and again protested about the item of \$322 million and requested that at least such a reservation be made on it that would hold back the expenditure until it could be determined if the budget had been balanced. In order to secure the relief bill at all, with its vital provisions in relief of distress, employment, and agriculture, I was finally compelled to accept it with an inadequate safeguard of that \$322 million. And that expenditure has been forced upon the Government by

the Democratic leaders. And I may say here and now that it has many of the colors of pork legislation.

If there is a deficit this year, it will be due to the Democratic Members of Congress. We had a vast amount of oratory from the Democratic side on the subject of economy during the whole session. The oratory, instead of the facts, seems to have lodged in the mind of the Democratic candidate.

And now these gentlemen arise to say that the Republican administration is to blame if the budget be not precisely balanced. I am well aware that progress in a democracy requires cooperation and compromise on matters that do not involve great principle, but it is not for the Democratic leaders to rise now and talk of economy and reduction of governmental expenditures after their attempts to foist \$3½ billion of further expenditures upon the Government, which we stopped, and after their failure to reduce expenses by some \$200 million to \$300 million which they refused, and after their forcing \$322 million of new expenditure on us after our most strenuous opposition. The expenditures of the Federal Government for this fiscal year would be \$500 million less had the demands of this administration been heeded.

When our opponents rise and say that they are the party to be trusted with the reduction of governmental expenditures, I recommend that you compare these promises with the actual performance of the body which under the Constitution initiates the fiscal policies of the Government—not the Senate, but the House of Representatives.

Despite all of this obstruction, I propose to continue the fight for reduction of governmental expenditures, and if there be a fresh mandate from the people on November 8, there will be no denying my demands.

The Governor has involved himself in a labyrinth of inaccurate statements, due to misinformation supplied to him, in trying to prove that the Secretary of the Treasury made errors in the estimates of our future revenue. He may have done so. The Governor insists that we should have increased taxation 2 years before we began. He ignores the fact that the Federal budget estimates are made in October for a year beginning the following July. This, however, is a detail. He would,

however, appear to expect that by crystal gazing or by astrology the Secretary of the Treasury would be able to prophesy the revenues a year ahead in the midst of the greatest crisis in history, and to have thus anticipated the effect of every crash in the world upon our Federal revenues. I wish it were possible for human beings to predict the action of a Democratic House of Representatives a year or two in advance. If we had been able to do this, we could have interpreted the effect on the revenues and upon the budget of the actions of the last Congress and their disturbances in the whole economic system and their raids upon the United States Treasury.

In this particular the Governor might be interested to know that certain Democratic leaders in Congress publicly protested that no taxes should be imposed at all or that they should be delayed still another year, and that we should continue to live off of our fat, which was then getting thin. The administration was the first to insist that the undermined revenues of the country should be increased as a fundamental necessity to the maintenance of the stability of the United States Government.

The Governor implies that as the result of the failure to read the crystal of the future we have jeopardized the credit of the Federal Government. The answer to that—the Governor apparently does not know—is that only 10 days ago the Treasury of the United States sold \$500 million of its notes at 3 percent interest. That does not look like a discredited institution. There is no government in the world financing itself at this moment on such a basis and with such confidence in its stability.

The Governor's labored charge a day or two ago that for some sinister purpose the facts as to Government finance and expenditures were misrepresented or concealed from the people is too silly to merit serious consideration. You are probably aware of the fact that the actual Federal expenditures and receipts for the different branches of the Government are issued to the public every morning at 9:30 o'clock and are open to every citizen of the United States, and he can calculate the progress of the Government day by day, week by week, and month by month with his own lead pencils.

Now I want to address myself to the constructive policies of my administration and the Republican Party, and in addressing myself to this task I want to address myself to the man who has a job, to the man who has no job and is looking for one, to the farmer and the businessman who are in difficulty. After all, the thing which is of real importance is not the misinformation furnished to the Democratic candidate or the promises of that party, but they are the actual measures and forces which we have in motion to restore jobs, agriculture, and business.

It has been my fate to have been born and raised in contact with the problems that come from distress and striving to maintain a home for one's loved ones. And I can say without challenge that a large part of my life has been spent in contact with efforts to solve human difficulties.

I, therefore, wish to discuss with you the emergency program which we have put into action and which we propose for overcoming this crisis, and to compare it with the Democratic program as made evident by the last Congress and with some suggestions which have been made in addition by the Democratic candidate.

In previous addresses I have traced the origins of this depression. I have spoken of the forces which dragged down the prosperity of our people and brought suffering, distress, and fear into American homes. The first stage of depression in this country was a reaction from the mania of speculation and flotation in 1929. I have traced on other occasions the measures which we initiated at that time to increase employment, to hold wages, to assist agriculture, to prevent distress, and the gradual recovery of the country from this domestic phase which took place a year after. I have pictured the dreadful calamity which then interrupted our recovery through the tremendous earthquake whose origins were in the World War and its aftermath and the strains which it had placed upon the nations of Europe. As the result of these they collapsed one by one, finally culminating at the end of September last year, when Great Britain abandoned the gold standard and was followed by a score of other nations with financial panics, overthrown governments, and revolutions.

In other places I have discussed the method by which the tremendous world crisis was transmitted to the United States. At the moment I

desire only to point out to you the effect. In the weeks following the abandonment of the gold standard in England, the bank failures measured in deposits rose to over \$250 million a week in the United States, and hoarding rose to over \$100 million a week. Foreigners, fearing that we might be engulfed, drew out \$725 million in gold from us within less than 6 weeks.

We met that situation promptly. On October 3, a year ago, I secured from the bankers of this country the establishment of the National Credit Association, with half a billion dollars with which to support our financial situation. On October 6, I asked for a meeting of the political leaders of both political parties and secured a declaration of unity of national action in the face of national danger.

The ship began to right itself. But again at the end of November it became evident that the forces moving against us were more powerful than could be stopped by these measures. Bank failures and hoarding increased, with a thousand other effects in increased unemployment and decreasing farm prices.

We were faced with three great perils. The first was that through the losses and decrease of profits in business there was a drop in Federal tax revenues of \$1,600 or \$1,700 million, that is, nearly half the revenue of the Federal Government. We were faced with inability to pay our expenses of Government except by an increase of taxes or, alternatively, by enormous borrowings.

Second, the integrity of the monetary system was increasingly threatened by the terrible impact of foreign gold withdrawals and our own hoarding and the inflexibility of the Federal Reserve Act.

Third, the whole private credit machinery of the country was so paralyzed that credit was practically impossible to obtain. Business dried up, demands were made right and left upon debtors to force them to raise cash upon which their property must be realized in diminished and nonexistent markets. Unless these forces could be stopped the whole Nation was in the gravest of danger.

I should like for a moment to review the whole program we proposed and have largely established to meet that emergency. Some of its effectiveness was lost by delays in placing these weapons into our

hands, for in battle much depends on being there on time. Some part of the losses, in failures, bankruptcies, falls in farm prices, increases in unemployment, were due to these delays. Some of the delays were the result of the slow moving of democracy; much of it, the refusal to enact some portion of the measures we asked for, were in consequence of destructive Democratic opposition. And again I wish to state that certain members of that party did cooperate with us, and to them I pay the highest tribute to their patriotism of which I am capable.

You will recollect the recommendations which I made to the Congress in a message at its convening on December 8 last:

First, drastic reduction in Government expenses.

Second, by this and an increase in revenues to balance the budget, thus to hold impregnable the credit of the Federal Government.

Third, the strengthening of the capital of the Federal land banks by \$125 million in order to relieve the pressure upon farmers to repay their mortgages.

Fourth, the creation of the Reconstruction Finance Corporation with \$2 billion of resources in order that, having maintained national credit, we should thrust the full resources of public credit behind the private credit system of the country in order to reestablish and maintain it in an unassailable position. That with the backing of the Federal credit it should protect the depositors in savings banks, insurance policyholders, the lenders and borrowers in building and loan associations; that it should through existing agencies expand the funds available for loans to merchants, manufacturers, farmers, agricultural marketing associations; that it should protect the railways from receiverships in order that in turn the railway securities in the insurance companies and savings banks might be protected, and the employees of the railways, likewise with a score of other services.

Fifth, an extension of the authority of the Federal Reserve Board to meet the danger of our gold standard and to expand credit in counteraction to the strangulation due to hoarding and foreign withdrawals.

Sixth, the creation of the home loan discount banks with resources of several hundred millions to give homeowners a chance to hold their

homes through foreclosure and to furnish credit to create new homes and to expand employment.

Seventh, an authority by which we could secure early liquidation of deposits in closed banks that we might relieve the distress to millions of depositors. We did not secure that authority out of the Congress.

Eighth, revision of the banking laws. This matter was postponed.

Ninth, continuation of the public works program of some \$500 to \$600 million per annum as an aid to employment.

Later in the session of Congress I expanded these emergency recommendations to include a tenth item, that is, an authority to the Reconstruction Corporation to loan up to \$300 million to the States whose resources had been exhausted in relief of distress.

Eleventh, loans by the Reconstruction Corporation up to \$1,500 million for the undertaking of great works which would add to employment and from their own earnings repay the outlay.

Twelfth, the erection of a new system of agricultural credit banks with indirect resources of some \$300 million in order to save the farmer.

Thirteenth, the extension of credits through the Reconstruction Corporation for the movement of agricultural commodities in a normal fashion to market.

And I may add to these measures others which we have set in motion in this emergency.

The fourteenth would be to maintain the protective tariff as the first safeguard of every manufacturer and every workman and every farmer in the United States. Never has the protective tariff been so vital as in this emergency when 20 countries are suffering from depreciated currencies; their standards of living and wages are lower than even a year ago. The danger of flooding our markets with foreign goods was never greater than at this moment. A week ago in Cleveland I showed wages in foreign countries would buy only from one-eighth to one-third as much bread and butter as could be bought by the wages in the United States today. In the face of these standards of living and in the face of this depreciated currency, the Democratic Party and its candidate proposes to lower the tariff. In this emergency as never before we require the preservation of our nonpartisan Tariff Commission, by which this

flood can be prevented and through which, if tariffs should become too high, they can be lowered without disruption and the logrolling of congressional action. Our opponents propose to destroy that function.

Fifteenth, the prevention of immigration during this emergency is vital except for relatives of those residents in the United States. It is important that we hold for our people the jobs which we have.

I might mention that the administrative order which I issued 2 years ago practically closing immigration except for relatives of residents has resulted in the exclusion of somewhere in the neighborhood of 500 millions of immigrants in addition to our unemployed, if we assume that immigration would have been at the same rate subsequent to that order that it had been in the 2 years previous.

The sixteenth item on our program and by no means the least, the constant mobilization and support of all private relief agencies as we have done over the past 3 years in order that we may have the fullest care and support given to those who are ill and in distress, and that we may maintain a sense of responsibility of every man to his neighbor.

Seventeenth, the mobilization of our businessmen, our labor and agricultural leaders, to carry on the present cooperative activities, initiate new activities for the increase of employment and aids to agriculture. It is upon this line of voluntary mobilization of cooperative action that we are engaged in an attack all along the economic front at this moment.

Eighteenth in the program of reconstruction, the vigorous consummation of the results from the World Economic Conference with view of relieving the pressures from the outside and preventing reoccurrences of these distresses in the future. The continuation of our negotiations for the reduction of armament in order to reduce our expenses and to relieve the world of fear and of political instability.

Now, this is the constructive program proposed by the Republican administration. It has largely been adopted as a relief to this emergency. The reform of banking and relief to depositors of closed banks was not secured. We have other measures to propose to the next Congress, especially for the future relief of farm mortgages. But I would have you examine this program. You will find that it conforms with American practice, American experience, and American common sense. It is

proving itself every day. It has prevented national chaos, and it is today producing national recovery.

The first series of these measures was proposed to the Congress on December 8 last, after the debacle developed in Europe. The Congress incidentally, the House of Representatives concluded, against my appeal to its leaders, to adjourn over the Christmas holidays, and only one of these measures was enacted until February.

And coincident with the passage of the principal of these measures, in the middle of last February the ship began to right itself; the country began to show the resilience of its resources, courage, increased employment, upward trend of prices in agricultural products, and to give signs of again resuming its activities.

Then there supervened a whole period of obstructive and destructive actions by the Democratic House of Representatives which I will elaborate a little later, as I have already done in this address, in order to show the real program of the Democratic Party to meet this emergency.

It is now taken for granted that this Republican program has come of its natural self because in retrospect there is such universal recognition of its necessity. On the contrary, it has been wrought out of the fiery ordeal of hard and honest thought, the facing of facts when loose-thinking and frightened men offered every temptation for specious panaceas. Much of it was wrought against the heartbreaking obstruction and delays in the Democratic House of Representatives.

But in the main it has been established, and it is working every minute now.

Practically the only evidence of the attitude of the Democratic candidate upon this program is the sneer that it has been designed to help banks and corporations and that it has not helped the common man. He knows full well that the only purpose of helping an insurance company is to protect the policyholder. He knows full well that the only purpose of helping a bank is to protect the depositor and the borrower. He knows full well that the only purpose of helping a farm mortgage company is to enable the farmer to hold his farm. He knows full well that the only purpose of helping a building and loan association is to protect the savings and homes of its participants. He knows full well

that in sustaining the businessman it maintains the worker in his job. He knows full well that loans to the States protect families in distress.

Now I may tell you that millions of men and women are employed today because there has been restored to their employers the ability to borrow the money to buy the raw materials and pay the labor and thus keep them on the job. And I may say that if the common man be a farmer, it has restored his ability to secure credit upon which to produce his crops and his livestock. If he be a homeowner or a farmowner in jeopardy of foreclosure of his mortgage, it now gives him a fighting chance. If he has borrowed for any purpose, he has not been forced to the wall by bankruptcy through inability to meet his debt. If he has savings in the bank, it has protected him and relieved his anxieties. If he has an insurance policy, it has preserved the validity of that policy. If he be a merchant, it has stopped the calling of his loans and today enables him to again borrow to purchase his stock and thus start employment. If he be unemployed, it is making hundreds of thousands of jobs. If he be in distress, it enables the State or the city to secure the money and assures him that he will not suffer from hunger and cold. Those who are in distress in this city are today receiving their bread and rent from the result of these Republican measures. And I may say that nothing works perfectly, there have been casualties and there have been disasters, but I am speaking of the Nation as a whole—the Nation upon which the vitality of our race depends. Beyond these items which I have given you, it is today creating new jobs and giving the whole system a new breadth of life. And nothing has ever been devised in our history which has done more for those whom Mr. Coolidge aptly called the common run of men and women than the program which the Republican Party has produced and put into action.

Now I wish again to turn to the specific Democratic action and program for this emergency as shown by their actions in the House of Representatives, which is the only responsible place where they have been able and compelled to show their attitude of mind. I have only to repeat and enumerate. I hope by this time you are familiar with them. I can remember them by the dates when they were passed by the House of Representatives.

On January 9, 1932, the Collier bill was passed by the Democratic House providing for the destruction of the effective powers of the Tariff Commission. It also provided for an international conference to be called for many purposes, one of which was to ask foreign nations to help us lower the American tariffs. It also proposed reciprocal tariffs, and in vetoing it I stated that "no concessions other than those on agricultural tariffs would be of any interest to other nations," and that has proved true.

On March 4, the Gasque omnibus pension bill, which I mentioned a few moments ago, was passed by the House. As I have said, I vetoed that.

On March 7, 1932, the revenue bill, introduced by a nonpartisan Ways and Means Committee, was torn to pieces on the floor of the Democratic House. It had to be sent back to the committee, and an inadequate patchwork bill was submitted and passed. Long and harmful delays resulted. The injustices in that bill have yet to be remedied.

On April 13, 1932, as I have said, I vetoed a bill passed by the Democratic House that would have set in train the opening of a large series of Indian claims, dead and settled 75 years ago. That was in accordance, of course, with Democratic economy programs.

On May 2, 1932, the Democratic House passed a bill ordering the Federal Reserve System and the Treasury to fix prices at the average prevailing during the years 1921-1929 by the control of the volume of currency and of credit. As no mortal human man can accomplish this, both of those agencies promptly denied that they could produce this kind of a rubber dollar.

On May 3, 1932, the House committees and the Democratic House refused to pass the economy bill, as I have described to you.

On June 7, 1932, they passed the pork-barrel bill for \$1,200 million, of which I have already commented. That bill is still advocated by the Democratic Vice-Presidential candidate, still goes on.

I have already mentioned that on June 15, 1932, the Patman bill was passed, providing for the cash prepayment of the adjusted-service certificates requiring an immediate expenditure of \$2,300 million.

On June 15, 1932, the Democratic House, likewise as part of the same measure, passed a provision for the issuance of \$2,300 million of fiat

money—a form of currency inflation that has been best exemplified in recent years by the action of the German Government in issuing paper marks in 1922. Had this measure become law, every farmer and every workman would be paying a penalty for it at this moment.

On July 7, 1932, the Democratic House passed the Rainey bill including a provision for injecting the Federal Government into direct personal banking. I vetoed that measure, and I stated it would mean loans for every conceivable purpose on every conceivable security to anyone that wanted money. It would place the Government in private banking in such a fashion as to violate every principle of public relations on which we have have builded our Nation, and would render insecure its very foundations.

On July 13, 1932, the House passed the relief bill, insisting on injecting the \$322 million which I have mentioned. Now, this is by no means all that the Democratic House accomplished, but they at least indicate the controlling elements of that party and they constitute a program of about the same number of parts of the administration program that I have described to you.

Now I wish to discuss a proposal of the Democratic candidate himself.

Early in September there appeared amongst the unemployed in some of our cities reproductions of a letter from Governor Roosevelt which read [*At this point the President read the text of the letter as follows:*]

Mr. Lowe Shearon,
358 Front Street,
New York, N.Y.

In accordance with your request I shall be glad to have you quote me as follows:

I believe in the inherent right of every citizen to employment at a living wage and pledge my support to whatever measures I may deem necessary for inaugurating self-liquidating public works, such as utilization of our water resources, flood control and land reclamation, to provide employment for all surplus labor at all times.

Sincerely yours,
FRANKLIN D. ROOSEVELT

I emphasize that last line—"to provide employment for all surplus labor at all times."

This letter did not appear in the public press until October 13, when it was published in the leading New York journal. It was republished on the 14th; on the 15th it was again republished in that journal with the statement, quoting from the Governor, that it was substantially correct. In case there is any doubt as to its authenticity, I may say that its continued circulation for the purpose of securing votes is subject to the severest condemnation.

There can only be one conclusion from that statement. It is a hope held out to 10 million men and women now suffering and unemployed that they will be given jobs, directly or indirectly, by the Government. That is a promise that no government on Earth can fulfill. It is utterly wrong to delude suffering men and women with such assurances.

The most menacing condition in the world today is the lack of confidence and faith. It is a terrible thing to increase this undermining effect by holding out, for political purposes, promises to 10 million men which cannot be kept and which must end in leaving them disillusioned.

There are a score of reasons why this whole plan is fantastic. These 10 million men, nor any appreciable fraction of them, cannot be provided with jobs in this fashion. The only way to provide jobs for our unemployed is by healing the wounds of the economic system and restoring them to their normal occupations.

There are many reasons why all this is true. To give a living wage to 10 million men, either through employing them directly on such works, as are here indicated, or indirectly in the furnishing of supplies and services, would cost the Government from \$9 to \$12 billion a year. The borrowing of this amount of money would suck the resources from industry and commerce and cause unemployment to other millions of people. It would destroy the Government and private credit on which all present employment is built and upon which all hope of future employment rests.

There are not in the United States enough of so-called self-liquidating projects to employ but a fraction of this total, and the Reconstruction Corporation is at this moment engaged in considering and authorizing

all of such available projects. If there were any beyond their resources it would require at least a year or 2 years of technical preparation to get any of them into action before anyone could be employed. To increase land reclamation would hugely increase agricultural production at a time when our farmers are already paralyzed by enormous surpluses. It would create the most gigantic bureaucracy in all history.

And above all, I ask you whether or not such frivolous promises and dreams should be held out to suffering unemployed people. I may reiterate again that the only method by which we can stop suffering and unemployment is by returning people to their normal jobs in their normal homes, carrying on their normal functions of life. This can be done only by sound processes of protecting and stimulating the existing economic system which we have in action today. I hope that that is the case. In any event, it is time that it is answered because it is being circulated and held out for votes in this campaign.

I have tonight confined myself to the measures which we have taken to save the country from a gigantic disaster and which are in action to overcome the present emergency. I have not attempted to cover the longview program of the administration and the Republican Party. I will do that on some other occasion.

In dealing with the present emergency I have insisted that we shall as a nation rely upon the initiative and the responsibilities of our citizens, of our institutions, and of our fabric of local government; that the full powers of the Federal Government shall be used for the protection of our people in this emergency; that the great instrumentalities and the measures which we have erected shall be conducted without interruption and with constantly inspiring and vigorous action until restoration is completed; and above all, that they shall be used in such a manner as to sustain these fundamentals which are the real spirit of our national life.

Your purpose and my purpose is to protect the American home with all of its precious blessings, and to protect our children in their rightful heritage of joy and hope and opportunity, and thus hand on to them the ideals and the aspirations which we have received from our fathers.

To do this and as a nation we have many labors before us when this

emergency is past: the strengthening and the better regulation of public service; the improvement of our credit and banking system; the development of a better scene of agriculture and industry; and the score of other pressing duties.

And there is one inspiration for this emergency and for the future of this Nation that transcends all others. That inspiration we shall continue to discover in the schools and the churches of this land and in communication with the Great Searcher of all souls. Our Nation has survived thus far because it was founded in the favor of God by men and women who were more concerned with His will than they were with selfish aggrandizement and material acquisitions. The ultimate source of great constructive measures of government and of law are in the moral and spiritual impulses of our people.

These are the beliefs and the convictions which necessarily must come to me from the vivid association with these currents and with the forces and in the office which I have occupied, with its invisible presence of the many men who before me have fought and builded for these ideals.

No man can be President without looking back upon the effort given to this country by the 30 men who in my case have preceded me. No man of imagination can be President without thinking of what shall be the course of his country under the 30 more Presidents who shall follow him. He must think of himself as a link in the long chain of his country's destiny, past and future. That future is in your hands. By your action on November 8, you will determine whether we shall go on in the orderly adaptation of our old American ways to new needs, whether we shall build on the foundations laid by our forefathers over the last century and a half, or whether you will let momentary despair lead you to give the country a new and untried direction.

I can well understand that my countrymen are weary and sore and tired. I can well understand that part of this weariness comes from the exhaustion of a long battle. But in the battle we have carried the first-line trenches. It is of transcendent importance that there shall be no interruption; that there shall be no change in the strategy and the tactics used in the midst of a victorious movement. The essentials of American life must not be broken down in chaos and in peril.

These are questions which the American people must weigh, and weigh heavily, in the next 2 weeks. What you will determine on November 8 will be much more than a change of individuals, or even more important than merely making a choice between ways of coming out of this emergency. More than all that, it will determine the permanent course of this country.

The future of an individual is of no great importance in the lifestream of a nation. No one of us has the right to stand in the light of the Nation's progress. Change in my personal position from command to the ranks is of trifling importance in the life of this Nation. What is of vast importance is the measures and policies, the thought, the philosophy, and the sentiment you adopt by your vote, and the men and the forces who in front and behind the scenes will dominate our national life.

I am anxious to see that these present sound policies and measures shall be continued, only because I am anxious to see that my country shall come safely into the harbor from dangers that but few men not occupying my responsibilities will ever appreciate. The following of will-o'-the-wisps is not being progressive. It is not being liberal. It is driving slowly into the tyranny which means extinction under bureaucracy of liberty and hope and opportunity.

In conclusion, I declare again that it is the high purpose of my administration, it is the historic determination of the Republican Party, to preserve this Nation for our citizens with its American system of liberty intact, its American free opportunity and its equal opportunity still open, moving ever forward in accord with these principles, its American Government forever in the hands of men who believe that our fathers builded well, when for 150 years they strove with brain and brawn to make this the greatest land that ever free men have loved.

Thank you.

NOTE: The President spoke at 8:30 p.m. to 20,000 people assembled in the Olympia Arena. The National Broadcasting Company and the Columbia Broadcasting System radio networks carried the address.

In his opening remarks, the President referred to Wilbur M. Brucker, Governor of Michigan.

The above text is a transcript taken from a sound recording of the address.

348

Address to the American Public Health Association.
October 24, 1932

FIFTEEN YEARS AGO, almost to the day, I had the pleasure of addressing the American Public Health Association. You were gathered here then as you are now, to exchange ideas and information in your professional work as official guardians of the public health. At that time, 15 years ago, I had just come from observing at first hand in Belgium and other war areas the acute problems of public health produced by violent dislocations in the normal economic processes of the life of nations. In my remarks upon that occasion I discussed some of these problems as I had observed them during that experience. Difficult as conditions were for the civil populations of all the nations in the war area, they would have been infinitely more difficult had it not been for the modern organization of protective health services and the scientific understanding of sanitary measures necessary to prevent and check such epidemics of communicable disease as had always, in earlier wars, swept over the nations.

My next major contact with your body was during the Mississippi River flood in 1927. In traveling over the region affected by those floods, from the lower Ohio River Valley to the mouth of the Mississippi, and organizing the measures of the Federal Government to overcome that calamity by rescue from flood and reestablishment of a million of our people in their homes, it was obvious that sanitation and health control were imperative to prevent the outbreak of devastating epidemics. In this emergency the public health agencies and the allied groups were indispensable, and I took the liberty of mobilizing the energies of your members. They rose to the situation and by their skill and promptness prevented a very serious loss of life.

As a result of this experience in the flood area, I later called a meeting of public health officials and suggested the development of a stronger health service. Out of the conferences which were called as an out-

growth of this meeting, there evolved the idea of the most effective means of strengthening the public health service in harmony with the spirit of our American institutions. By this I mean the idea of the county health unit. That is, that every county in the United States should set up for itself, as its minimum health organization, a unit consisting of a doctor, a sanitary engineer, and a trained nurse. These units were established in 100 counties in the flood area, and the extraordinarily successful results of their work confirmed the wisdom of the plan. The public health in these counties for 18 months after the flood was so much better than it had been in the 18 months before the disaster as to prove an object lesson in what could be done by organized public health work.

By every means within my reach I have ever since promoted the idea of establishing these units in every one of our 5,000 counties in the United States. I have frequently helped the voluntary cooperating groups to raise the funds for such units by public subscription, and many times, through conferences and in other ways, have assisted in promoting legislation in the States by which State governments have supplemented these funds on the familiar basis of duplicating from the State treasury the sums raised locally by the county or municipal governments. I have gone farther than that. Although I am generally opposed to Federal subsidies to the States, yet I have regarded contagion as one interstate question and have recommended Federal contributions to such a universal service.

I am in favor, as a constructive measure of public economy, of a program to be carried out on such wise lines, to reduce contagious disease with Government encouragement. If communicable diseases could be reduced by even one-third, such a reduction would repay the country more than a thousandfold its cost, by its saving of the present losses in productive time of workers and its saving of the present losses to school funds by absences from classes. That is the sheer economics of it. But far beyond that, there would be the wealth of gain in human comfort and human happiness.

Still beyond that, there is the gain of definite community action looking to the protection of the home—the cooperation of organized society

in a great work of social well-being, with all its additions of assurance to men and women of a further security to their families against the menace of contagion and ill health.

And even beyond that in importance, there is the well-being of the future generations of our children, the building up of safeguards around the home, and the health of the parents and of the growing family, which will contribute to the production of a healthier and more virile race and to the preservation not only of the treasures of childhood as a whole, but also to the preservation of those precious exceptional children, whose birth cannot be predicted of any class or moment and from whom comes the leadership of our democracy, to which they rise through the free channels of opportunity in our country.

NOTE: The President spoke at approximately 9 p.m. to the association's 61st annual convention which met in the Willard Hotel.

349

Letter to the Chairman of the United States Tariff Commission
Requesting an Investigation of Certain Tariff Schedules.
October 24, 1932

My dear Mr. O'Brien:

In extension of my recent verbal instruction as to the necessity for investigation of certain tariff schedules due to depreciation of currencies in foreign countries, I enclose herewith a list furnished me by the Department of Commerce of industries and localities where there has been actual increase of unemployment or alternatively where it is inevitable that it will increase from importations arising out of this cause unless they be halted.

You recognize that currencies in thirty countries have now depreciated from 5 to 55%, which has reduced the standards of living in those countries and greatly widened the difference in cost of production between the United States and those localities.

I would therefore be obliged if the Tariff Commission would expedite this matter in order to afford all possible relief to unemployment in these

[350] Oct. 24 *Public Papers of the Presidents*

communities. I urge this expedition because of this possible retardation of increasing employment of our people. If it shall prove that the differences in cost of production between here and abroad in these industries have altered the basis of the tariff duties, I wish to receive recommendations of the Tariff Commission at the earliest possible moment.

Yours faithfully,
HERBERT HOOVER

[Hon. Robert L. O'Brien, United States Tariff Commission, Washington, D.C.]

NOTE: The list of cities whose industries were determined to be adversely affected by increased imports of competitive goods, released with the letter, is not printed but is available for examination at the Herbert Hoover Presidential Library.

350

Message to a Celebration Honoring William Penn.
October 24, 1932

[Released October 24, 1932. Dated October 18, 1932]

My dear Mr. Mayor:

I regret that earlier commitments make it impossible for me to attend the celebration in Philadelphia of the 250th Anniversary of William Penn. The influence of his benevolent spirit and his idealistic faith has grown with time, and has been a potent force for peace, right dealing and progress in the State which he founded. I share in spirit the reverence being paid to his memory, and I ask you to greet for me all those who take part in this observance.

Yours faithfully,
HERBERT HOOVER

[Honorable J. Hampton Moore, Mayor, Philadelphia, Pa.]

NOTE: The message was read by Charles F. Jenkins, chairman of the executive committee of the William Penn Commemoration Committee, during exercises held in Convention Hall in Philadelphia, Pa., commemorating the anniversary of William Penn's landing on American shores.

596

351

Message to the Emergency Unemployment Relief
Committee of New York City.
October 25, 1932

[Released October 25, 1932. Dated October 6, 1932]

PERSONAL FEELING and personal responsibility of men to their neighbors is the soul of genuine goodwill; it is the essential foundation of modern society. A cold and distant charity which puts out its sympathy only through the tax collector yields a very meagre dole of unloving and perfunctory relief. The traditional American spirit of community solidarity in times of stress is admirably represented by volunteer organizations of citizens such as the Emergency Unemployment Relief Committee in New York City.

NOTE: The message, sent to Harvey D. Gibson, chairman of the committee, was made public in conjunction with the opening of the committee's fundraising campaign.

352

Message to the Atlantic Deeper Waterways Association.
October 26, 1932

[Released October 26, 1932. Dated October 25, 1932]

My dear Mr. Mayor:

I will be obliged if you will express my cordial greetings to the Waterways Convention in Philadelphia. The development of the natural water channels with which the United States is so richly blessed has for many years been an active interest with me. They provide an economical means of transportation of bulk goods that is of immense benefit to farmers and the heavy industries. These benefits reflect to the whole nation in increased buying power of the agricultural communities and in lessened costs to the consumers. Twice as much work on these inland waterways

has been accomplished in the last three years as in any comparable period in our history.

We have new problems before us in the matter of waterways. We must work out the problem of regulation of transportation by water: First, because the cut-throat competition now going on in certain cases is making impossible the entry and maintenance of adequate services upon these channels. And second, this cut-throat competition is not only injuring waterway traffic itself but it is damaging our other great arm of transportation, that is the railways. There is a place for both of these in our system, and their development can be made of mutual interest. A study of these problems by your Association would be a contribution to the proper development of the waterways and the securing of the advantages which they offer.

I wish you success in your labors to promote the development of these great national services.

Yours faithfully,

HERBERT HOOVER

[Honorable J. Hampton Moore, Mayor, Philadelphia, Pa.]

NOTE: The association released the message to the press, and the following day it was read to the opening session of the convention which met in Philadelphia, Pa.

353

White House Statement on Charges
of Unfair Labor Practices on Flood Control Projects
on the Lower Mississippi River.

October 26, 1932

CHARGES HAVE BEEN laid before the President that some of the private contractors doing work for the Government on flood control projects on the lower Mississippi River are paying unreasonably low wages to Negro employees, overcharging the men at the contractors' commissaries, keeping their camps in a very unsanitary condition and in some cases, resorting to physical violence in the treatment of the men.

The President has requested Dr. Robert R. Moton, head of Tuskegee Institute, Judge James A. Cobb of Washington, D.C., and Mr. Eugene Kinckle Jones, executive secretary of the Urban League of New York City, representing the Negro race, and Lt. Col. U. S. Grant, representing the United States Army, to make a thorough and impartial inquiry as promptly as possible.

He has directed the members of the commission to proceed at their earliest convenience to the places where the construction work is being carried on by these contractors and to report to him on the facts as determined by their investigation immediately upon its conclusion.

NOTE: On August 22, 1932, the National Association for the Advancement of Colored People sent the President a report detailing numerous labor abuses in the camps maintained by the contractors doing flood control work on the lower Mississippi. The Chief of Engineers of the War Department asked the Mississippi River Commission to investigate and by October 26, the investigation was well under way. The President's commission, as outlined in the statement, was never funded and made no investigation. In February 1933, contracts were made conditional on compliance with new labor and sanitary regulations prescribed by the Chief of Engineers.

354

White House Statement on Equality of Opportunity in Employment.

October 26, 1932

EQUALITY OF OPPORTUNITY is a fundamental American ideal, and it applies with especial force in the field of labor. Denial of this right on the grounds of race, color or creed is abhorrent to all thinking men and women. During this particular period the Negro suffers, as do many of his fellow Americans, from worldwide economic depression and unemployment. In the vast reconstruction projects which the administration has inaugurated for the relief of unemployment, it is the wish of the administration that employment shall be given to the Negro worker on the same basis as it is given to every other American.

The administration's policy has recently been affirmed in a special memorandum to all contractors engaged on Government projects in the following language:

"The Treasury Department has from time to time announced its policy in the construction of public buildings and public works under its control that in the employment of mechanics and labor, preference be given to local labor to such extent as it is available and competent, and that there be no discrimination exercised against any person because of color or religious affiliation.

"You are directed to bring the above stated policy to the attention of all contractors and subcontractors and their representatives whose work comes under your superintendence, coupled with the request that they cooperate with the Department in carrying such policy into effect, and you will notify the Department promptly of any departure from or disregard of such policy by any such contractor, subcontractor, or representative thereof."

NOTE: On the same day, the White House issued a fact sheet on Negroes in the Federal Government.

355

Message Supporting Fundraising Drive
for the Jewish Hospital of Brooklyn, New York.

October 26, 1932

[Released October 26, 1932. Dated October 16, 1932]

My dear Mr. Abelman:

The maintenance of the service of our hospitals is an imperative need, and I am glad to bespeak the generosity of all people of good-will in support of these institutions which minister so unselfishly to suffering humanity.

Yours faithfully,

HERBERT HOOVER

[Mr. Max Abelman, 408 St. Johns Place, Brooklyn, N.Y.]

NOTE: The message was made public by Joseph J. Baker, president of the hospital.

356

Statement on Navy Day.

October 27, 1932

I TAKE THE occasion of Navy Day to remind the Nation that the national defense is the first and most solemn obligation placed upon the Federal Government by the Constitution. Our people have ever been lovers of peace, and they have consistently pursued a policy designed to preserve national rights by peaceful negotiation wherever possible, rather than by resort to arms.

This administration has spared no reasonable effort to bring about an agreement of all nations upon a reduction of arms, upon the ratios agreed upon at the London Naval Conference. Our patience in these negotiations has never for a moment jeopardized the safety of the United States. These efforts are making progress. If these efforts finally fail, we shall be compelled, by reason of the disturbed conditions prevailing throughout the world and the necessity of protecting American commerce, to build our navy to the full strength provided in the London agreement, equal to that of the most powerful in the world. I need scarcely suggest the vast expenditures that would be involved by that necessity, or the blow that it would deal to one of the most cherished aspirations of our people.

357

Rear Platform Remarks in West Virginia, Ohio, and Indiana.

October 28, 1932

[1.] PARKERSBURG, WEST VIRGINIA (8:25 a.m.)

I am deeply gratified at this greeting and this reception which you are giving to Mrs. Hoover and me on our arrival again in the Ohio Valley. A few days ago I was called upon by a delegation of your citizens, comprising both your businessmen and representatives of your labor,

in which they laid before me the situation that has arisen in your pottery industry, and that is a typical situation now arising in our country.

The depreciation of currency in foreign countries, particularly in Japan where the currency has dropped about 50 percent of its value 12 months ago, has dropped the cost of living and the cost of wages in Japan by 50 percent. The result has been that today a Japanese laborer working in their potteries is able to buy only one-eighth the amount of bread that can be purchased by the scale of wages paid in our pottery industry. The consequence of all that is that Japanese pottery is flowing in over our borders and depriving all of you of employment. We have placed that situation before the Tariff Commission. I am in hopes we will secure an early remedy of it. But it is one of the finest examples in the whole United States of the importance of the protective tariff.

The Republican Party has been the father, the supporter, and will continue to be the advocate and the supporter of the protective tariff. Our opponents propose to reduce that tariff. The reductions that have taken place in the past few months as the result of the depreciation of foreign currency are depriving the citizens of this city at this moment of their employment, and our opponents propose to still further reduce that tariff.

I leave you to make your own calculations, and I leave you to come to your own conclusions as to the action which you should take on November 8.

Thank you.

[2.] ATHENS, OHIO (9:19 a.m.)

Friends in Athens:

I greatly appreciate your greeting. It means that someone has been up early in the morning to have come in from outside the city at this hour, and it adds to the warmth of your welcome.

I notice that the large part of the crowd belong to the younger part of our generation, and indeed upon them does rest very great responsibilities in these times. More than half of the voters of our country are under 35 years of age today, and upon them will come the burden of the conduct of our country year by year.

Athens is a name which carries over the country the character of one of its institutions. I live in a college town which has not had the benefit of that indication of the character of the city, and I can appreciate the value of the institution and the type of life in this city that arises from the influence of your college.

There is one question which I am going to take a moment of your time this morning to mention because it is not only of importance to the neighborhood of Athens, but it is of great importance to all this section of the country—and that refers to the problem of the bituminous coal industry. That industry has gone through a long period of difficulty due to the competition of electricity, of gas, and of oil. It has in consequence suffered tremendously from the most destructive competition that we have known in any industry in the attempt of that industry to hold together in the face of a decreasing demand. There appears to be an end to that decrease, and the industry may look forward in the future to some expansion.

But nevertheless there is here in this industry a form of destructive competition such as we have seen in no industry in the course of two generations, and that destruction takes itself out on the backs of men. We have seen a constant decrease of competition in securing orders, and we have seen a degeneration in that industry such as we have in no other industry in our country.

A few years ago I recommended to the Congress that they should investigate the subject and make a determination of a method by which we might end some of the destructiveness of the competition going on. A year ago I returned to it and pointed out the enormous losses to our national resources, the tremendous suffering going on amongst the wage earners of the industry and the unprofitable character of it to the operator. It would seem to me, and I recommended at that time, that we must draft a new law for some measure of cooperation between the mines in order that labor should not be the fulcrum on which this constant destruction takes place, and I am in hopes that we can in the early part of next session of Congress find that remedy. None of us are proposing to withdraw or abandon the Sherman Act. That is essential for the preservation of the small businessmen throughout the country, but

[357] Oct. 28 *Public Papers of the Presidents*

on the other hand there is no reason in the world why the operation of a law should create the amount of misery and suffering which is now going on in the bituminous industry at the cost of the law itself.

I wish again to express the appreciation I have for your greeting. It is heartening. It is encouraging. It gives to me the feeling that we will receive your support on the 8th day of November.

Thank you.

[3.] HAMDEN, OHIO (10:03 a.m.)

My friends:

I deeply appreciate the welcome which you have given to me this morning. It is encouraging. It is heartening, and it is evidence of your feeling upon the 8th day of November. You will appreciate that so short a stop as this offers but little opportunity to discuss national issues. I do wish, however, for you to feel that your coming to the station to give us this sort of a greeting is the most heartening thing that can be done in this campaign. It is a great battle to preserve the foundations of American institutions. It is a battle far more important than the destinies of any one man. It is a battle that is of the first value to you and to your future, and that battle is being fought by the Republican Party.

[4.] CHILLICOTHE, OHIO (10:37 a.m.)

It was very generous of you to come down and give this greeting so early in the morning. It has been only, I think, 4 days since I visited this city. I am glad to see that you are constant in your support to the campaign that we are carrying on.

BYSTANDER. We are going to reelect you, Mr. Hoover.

THE PRESIDENT. That is the right spirit, but you are not reelecting me. You are reelecting the Republican Party.

[5.] CINCINNATI, OHIO (12:52 p.m.)

Friends:

I deeply appreciate the generosity and the courtesy of your greeting this morning. It is heartening. It is encouraging, and it is an indication of where you will stand on the 8th of November next.

Our country has gone through a great strain during these last 3 years. The strain reached such a point a year ago, through the collapse of a great number of foreign countries, as to seriously jeopardize the whole of our country. The administration at once took unprecedented measures in dealing with that situation, and we have succeeded in defeating those forces. We have protected our institutions and our people. We have now transformed those measures into an attack upon this depression all along the line. The need today is to maintain and continue the constructive measures of the Republican Party in order to finally overcome the depression and restore our country. There are many evidences in the country today that these policies are working successfully. Men are returning to work. Orders are being placed with our manufacturers. Car loadings are increasing, and there are a score of other evidences of the success of the program, and, if it be not interrupted, will aid the march of recovery all along the line.

An occasion like this is hardly a time to review the battalions and the regiments and the army corps that we have in action in this great battle. They are both private and governmental. The first of these is the protective tariff upon our manufactured goods. Our opponents propose to reduce the tariff. They propose to reduce it in the face of the fact that, due to the depreciation of foreign currencies, the standards of living and the wages in 30 countries which compete with you have now been further lowered and a portion of our tariff protection has been already destroyed.

I have lately asked the Tariff Commission to review that situation because your industries in Cincinnati are vitally interested in maintaining that protection. It is the margin through which we maintain our standard of living and wages and your jobs.

A few days ago I asked the Department of Commerce to make a survey of the buying power of wages in different countries in the world as a result of these changes made by depreciation of foreign currencies. That survey showed that when you translate wages in those foreign countries into their ability to buy bread and butter, there is today no country where the wages will buy one-third the amount of bread and butter than can be bought by the wages in the United States. You are

compelled to compete, if this tariff be lowered, with that kind of wage. But worse than that, one competitor, that is Japan, whose currency has depreciated 40 percent, is today shipping goods into your city in competition with your industries. In Japan the standard of living has been lowered to the extent that the power of their workmen of purchasing bread and butter is just one-eighth that of your workmen in this city.

There are other measures which we have introduced to bring about the recovery from this depression. One of them was the Reconstruction Corporation. You have seen evidences of its work in your own city. By loans made to your terminal company you are able to continue the construction of this railway terminal and secure its completion 2 or 3 years in advance of what would otherwise have been the case. You were able to maintain employment in a time of great distress to a great number of families.

Another of the measures that we have undertaken was the expansion of public construction. You have an example of that in this city in the postal terminal building, the contract for which has been let, which will result in the distribution of more than a million dollars of wages in this community.

Another of our Federal measures will no doubt reach into your city before winter is over—the provision of funds to save your unemployed from distress.

Another indication of the policies of the Republican Party has been the establishment in this city of one of the new home loan banks. These banks are for the purpose of mobilizing the strength of your building and loan associations and your savings banks, of increasing their ability to borrow money, and thereby in turn to relend it to the citizens of your city on more favorable terms than ever hitherto, and by opening new supplies of credit to increase the construction of new homes and the employment of further labor. Its further and more immediate object is to prevent the foreclosure upon homes where men are not able to secure renewals. That in itself is a measure of major importance in the safety of your work people and of your city.

Now, I will not go into the program of our opponents on this occasion. If any of you will read the record in the last session of Congress

and the promises given in this campaign—many of them recklessly—you will find that they represent mostly destruction rather than construction. The Republican Party has been for the whole of its 70 years of life the constructive party of the United States. So that the issue for the ordinary businessman and the workingman is this: Whose election—the election of which party to the Government? Personalities are immaterial, the Government is conducted by parties and by the traditions of those parties. Which of these parties will bring us to a prompt industrial recovery?

Our Republican program is definite, and it is specific. We do not hesitate to proclaim it. We do not sidestep the issues in this campaign. And this program is now actually working, greatly improving the conditions of business every week and every month. The Democratic program offers no actual measure unless it be reduction of the tariff, payment of the bonus, issue of paper money and half a dozen other destructive measures.

The program of the Republican Party is known to the whole business of the Nation, is based on sound governmental economic ideas. If on the 8th day of November there be no change, it will carry this great battle, in which we have already captured the firstline trenches, on to victory.

[6.] HAMILTON, OHIO (2:12 p.m.)

My friends:

I greatly appreciate the courtesy and generosity of your greeting. It is heartening, and it is encouraging. And it is a sure sign of what will happen on the 8th of November.

Our country has come in the last 3 years through a great crisis. At one time it appeared that that crisis might overwhelm everything that we hold dear. The unprecedented measures which were taken by your Government in Washington prevented that calamity. Those measures have today been turned into an attack upon this economic depression. All about you in all sections of the country people are returning to work. Loadings are increasing on the railroads. Merchants are giving new and additional orders. We are on the road out if we are able to continue these

policies and if we shall not change the strategy of this attack in the midst of the greatest battle in which our Nation has been engaged.

I thank you again for this greeting. It is encouraging. I am speaking to you tonight over the radio at greater length, and I hope that many of you can listen in.

Thank you.

[7.] OXFORD, OHIO (1:38 p.m.)

It is a courteous and a generous reception that you are giving to me, and I take it as an earnest of what you will do on the 8th of November next.

This is not a very easy occasion on which to make a discussion of national issues, but most of you will be listening to the radio tonight, I have no doubt, and I shall give to you a solid hour of such discussion if you can endure it.

I thank you for this reception and encouragement.

[8.] CONNERSVILLE, INDIANA (2:19 p.m.)

My friends:

It is difficult to formulate words to give adequate expression to the appreciation I feel for this reception in the State of Indiana. It is encouraging. It is heartening. It is an indication of your action on the 8th day of November next. This is an occasion for me to see some of you and to say a word to the people of Indiana.

Tonight I shall speak to you over the radio. I am in hopes that most of you may have an opportunity to listen. I shall then deal with the questions which I believe are necessary to be understood by our people in coming to the judgment which will be required by them within another 10 or 12 days. And it is an important occasion to which you are coming. It is an action which can take our Nation on in the present course over the next few years, or it is an action as to whether you are to maintain the guidance and leadership of the Republican Party which has maintained this Nation in its stable form since the days of Abraham Lincoln.

I thank you for this reception. I tell you again that it is encouraging, and I believe it indicates where your hearts lie.

Thank you.

[9.] RUSHVILLE, INDIANA (2:51 p.m.)

Friends:

I am glad to have the opportunity of seeing the faces of men and women who sent Senator Watson to Washington to cooperate with our administration. I would like to spend a half an hour with you to tell you of the service that the Senator has been to his country and to the State of Indiana and the friendship that he has shown for me.

I want to express to you my appreciation for your greeting. It is heartening. It is encouraging, and it is a sure sign of your action on the 8th day of November.

I shall speak to you tonight from Indianapolis. I hope you may be able to listen in on the radio. This is not a time to talk of national issues, but it is a time to express to you my appreciation for your greeting.

NOTE: The President was en route to Indianapolis, Ind., where he was scheduled to make a major campaign address. Times provided for the President's remarks are approximations based on his itinerary.

358

Address in Indianapolis, Indiana.

October 28, 1932

My fellow citizens, my friends in Indianapolis, and may I also include Senator Watson, for I wish to add that he must be your next Senator—we require his services in Washington:

Now, my fellow citizens, my major purpose tonight is to discuss those long-view policies by which we not only cement recovery but also by which we secure over the years the enlarged comfort and the steady progress of the American people. I propose to contrast them with the ideas which have been developed by the Democratic House of Repre-

sentatives, the Democratic platform, and the Democratic candidate in the course of this campaign.

When I refer to the views of these groups I wish to say at once that I do not refer to all members of the Democratic Party. Many of them, as in 1896 and in 1928, have signified their intention to support us against these notions. I also wish on all occasions to pay tribute to those Democratic Members of the Congress who supported the unprecedented measures which we presented during the course of the last winter and through which we saved this country from destruction and chaos.

I would like also to reiterate the statement which I recently made at Detroit, that the most important issue before the American people right now is to overcome this crisis, that we may secure a restoration of normal jobs to our unemployed, recovery of our agricultural prices and of our business, and that we may extend generous help in the meantime to tide our people over until these fundamental restorations are established.

I pointed out on that occasion that the battle has now changed from a successful defense of our country from disaster and chaos to forward-marching attack on a hundred fronts through a score of instrumentalities and weapons toward recovery. Since that time I have had further positive evidence showing that the measures and policies that we have set in motion are driving the forces of depression into further retreat with constantly increasing rapidity. If there shall be no change in the strategy of this battle, if there shall be no delay and hesitation, we shall have the restoration of men and women to their normal jobs and we shall have that lift to agriculture from its anxieties and its losses.

But before I begin the major discussion of the evening, I wish to take a moment of your time to revert to those methods and policies for protection and recovery from this depression in the light of certain recent misstatements of the Democratic candidate in respect to them.

I presume the Governor of New York will announce that I am acting upon the defensive if I shall expose the self-interested inexactitude which he has broadcasted to the American people. I am equally prepared to defend, attack, or expound. I shall not be deterred from my purpose

to lay before the people of the United States the truth as to the issues which they confront, and I shall do it with a sense of responsibility of one who has carried out and must carry into effect these issues.

I wish to call your attention to the fact that the Governor of New York in a speech on October 25 stated:

“This crash came in October 1929. The President had at his disposal all of the instrumentalities of the Government. From that day until December 31, 1931, he did absolutely nothing to remedy the situation. Not only did he do nothing, but he took the position that Congress could do nothing.”

That is the end of the quotation, and it is a charge which extends over the first 2 years and 2 months of this depression. It seems almost incredible that a man, a candidate for the Presidency of the United States, would broadcast such a violation of the truth. The front pages of every newspaper in the United States for the whole of those 2 years proclaimed the untruth of that statement. And I need remind you but of a few acts of the administration to demonstrate what I say.

The Governor dismisses the agreements brought about between the leaders of industry and labor under my assistance less than 1 month after the crash by which wages of literally millions of men and women were, for the first time in 15 depressions of a century, held without reduction until after profits had ceased and the cost of living had decreased.

He ignores the fact that today real wages in the United States are higher than at any other depression period, higher in purchasing power than in any other country in the world. And above all, he dismisses the healing effect of that great agreement by which this country has been kept free from industrial strife and class conflicts.

He would suppress from the American people the knowledge of the undertaking brought about within 2 months after the crash amongst the industries of the United States to divide the existing work in such fashion as to give millions of families some measure of income instead of discharging a large portion of them into destitution, as had always been the case in previous depressions and was the case abroad. He

ignores the fact that these agreements have held until this day for the staggering of employment.

If the Governor will look up his own files of his official correspondence, he will find that within a month after the crash I appealed to him, amongst the other Governors, for cooperation in creating employment and stabilization of wages, in which I set out to him the gravity of the national situation and urged that he should present in turn the great need to the counties and cities of his State. If he says nothing was done, it was a violation of the promise which he wrote to me on that occasion.

Nevertheless, the other States and the municipalities, including the great State of Indiana, entered into the general definite organization between the States to increase construction work in relief of unemployment during the winters not only of 1930 but of 1931. Not only were Federal, State, and municipal agencies mobilized, but private agencies were mobilized to that end. And by this, the Governor seems to have forgotten, I succeeded in reversing the whole usual process of decreasing construction work of this character in time of depression.

This type of work was increased during the first year of the depression by over \$800 million above normal, thus giving a living to thousands of families who otherwise would have been destitute.

The Governor says nothing had been done. The Governor would also suppress the fact of the mobilization of the American people under my direction during the winters of 1930 and '31 of private charity and of public support to relief of distress in every town, village, and hamlet in the United States through which we carried them over these winters without serious suffering or loss, as is proved by the public health statistics of today.

The Governor cannot be ignorant of the recommendations which I made to the Congress within a month after the crash, and again in the session a year later, for the great increase of Federal public works in aid of employment, and he cannot be ignorant of the appropriations made at my recommendation for the care of farmers stricken

by drought or the public funds raised under my leadership for these purposes.

The Governor ignores the most patent fact in the history of this depression: that, under the wise policies pursued by this administration, recovery of the United States from the first phase of the depression—that is, the collapse from our own speculation and boom—began about a year after the crash and continued definitely and positively until April 1931, when the general world crash took place which was not of our doing.

The Governor is probably ignorant of the international measures taken to limit the extension of this prairie fire under American leadership. He ignores the German moratorium and the standstill agreements in June 1931, which not only saved Germany from complete collapse but prevented much of the extended distress from reaching the United States. He neglects the creation, after the collapse of England, of the National Credit Corporation with a capital of \$500 million in cooperation amongst American banks, which saved over 700 institutions involving the deposits of upwards of 10 millions of our people, and that was doing something.

The Governor entirely misrepresents the fact that the plan to meet this crisis which swept upon us from Europe was proposed by me to the political leaders of the United States at a White House conference on October 6, 1931. He ignores the fact that that plan was laid before the Congress by a message on December 8, and that it was not the creation of the Democratic leaders at the end of December, as he would imply. Although the leaders of the Democratic Party had promised 14 months before they would produce a plan, they produced no plan until they began their destructive program some months later. And not one of those acts has been disavowed by the Governor. He ignores the fact that the unprecedented measures proposed and carried through by the administration with the help of some of the Democratic colleagues in the Congress would have put us on the road to recovery 8 months ago instead of having had to await the adjournment of the Democratic House of Representatives only 4 months ago.

And again the Governor, despite every proof, keeps reiterating the implication that the measures taken by this administration have had no fruitful result to the common man. He has been told, at least by some of the men who advise him in this campaign, that the gigantic crisis with which the United States was faced was escaped by the narrowest margins and that it was due to unprecedented measures adopted by this administration. If some of these men will tell him the whole truth, they will tell him that they personally sought to buy and withdraw large sums of gold because of their belief that we could not maintain the gold reserves of the United States.

Would it not be well that every American citizen should take pride in the fact that America carried this Nation through this crisis safely and soundly and did it as a matter of national and united action?

Why cannot the Governor of New York be frank enough to recognize the successful care of the distressed in the United States; that a vast amount of employment has been provided by cooperative action amongst our citizens; that the savings of more than 95 percent of the depositors in our banks have been held secure; that the 20 million borrowers who otherwise would have been bankrupt by destructive pressures from forced selling of their assets in order to pay their debts have been protected; that the 70 million life insurance policies which represent the greatest act of self-denial of a people in provision for the future safety of their loved ones have been sustained in their vitality; and foreclosure of hundreds of thousands of mortgages upon homes and farms has been prevented? Those are national accomplishments for which the whole American people are proud.

The Governor knows that the integrity of our currency has been sustained, that the credit of the Federal Government has been maintained, that credit and employment are being expanded day by day.

The living proof of these measures, which were conceived from the human heart as well as the human mind, can be found in the men and women in every city, every town, every township, and every block in this broad land, for they have been saved their jobs and their homes and secured from suffering and that by the action of the American people as a whole.

I have stated that my major purpose this evening is to speak upon some of the continuing policies of this administration and the Republican Party in contrast with the policies of our opponents.

Many of these continuing policies are dealt with in our platform. I dealt with some of them in my acceptance speech. Some have developed in the course of this campaign. Having had the responsibility of this office for 3½ years, my views upon most public questions are already set out in many cases in the public record and by definite public action. I do not have to engage in promises in respect to them. I may point to performance.

The opposition has shown its true purposes by its legislation in the last session of the Democratic House of Representatives, through their platform, and through the statements or evasions of their candidate.

Of these subjects I may first refer to the tariff.

In a recent speech, in discussing the agricultural tariffs, I pointed out the specific disaster to our farms from the Democratic proposal to reduce the protective tariff. I pointed out that the Democratic Party had, in 1913, not been content with merely lowering the tariff, but had put a large part of the farm products on the free list. I pointed out that the Republican Party had passed an emergency farm tariff bill in 1921, as soon as they had a majority in the Congress, and that a Democratic President had vetoed it. I pointed out that the Democratic minority in Congress, in 1921, had voted against the revival of the emergency farm tariff, and that the Republican majority had passed it, and a Republican President had signed it. I pointed out that the Democratic minority had voted against an increase in agricultural tariffs in the Republican tariff act of 1922. I pointed out that most of the Democratic Members of Congress voted against the bill carrying the increases in tariffs on agricultural products in the special session of Congress which I called in 1929 for that purpose on which occasion we passed the Hawley-Smoot bill.

In the light of this historic attitude it is but natural that our opponents express their bitter opposition to the Republican tariff. They have habitually voted against these tariffs. And now they propose in their platform

a "competitive tariff for revenue," and they denounce the Smoot-Hawley bill which is mainly devoted to the increase of farm tariffs. The Democratic candidate from the day of his nomination iterated and reiterated that he proposed to reduce the tariff. He stated that it was an unwarranted increase in the tariff.

During the first 7 weeks of this campaign he not only adopted the historic position of his party, but he constantly repeats their platform, and has reinforced it by repeated statements, as for instance:

"I support the competitive tariff for revenue."

"The tariff law of 1932 was a drastic revision of the tariff upward in spite of the fact that the existing tariff levels were already high enough to protect American industries."

"We sit on the high wall of the Hawley-Smoot tariff."

"I condemn the Hawley-Smoot tariff."

"A wicked and exorbitant tariff."

"Sealed by the highest tariff in the history of the world."

"Our policy declares for lowered tariffs."

"A ghastly jest of the tariff."

Mr. Roosevelt and his party knew that the major increases in the Hawley-Smoot act were farm tariffs when that platform was drawn, and he knew it was in effect when he made the statements that I have quoted. The evidence is complete that he and they intend to reduce the farm tariffs.

During the past 3 weeks I have reiterated this plain and evident purpose of their party and their candidate. Unquestionably my exposition has given their candidate great anxiety, because on the 25th of this month some 6 or 7 days ago, just 21 days after my first statement on the subject he announced another new deal. I call this a new shuffle. He now announces within 2 weeks of the election that he does not propose to reduce tariffs on farm products.

This is the most startling shift in position by a Presidential candidate in the midst of a political campaign in all recent political history. What do you think Grover Cleveland or Samuel Tilden or Woodrow Wilson would have said to such a shift as that? Does the candidate realize that

he has overnight thrown overboard the great historic position of his party? That he has rewritten the Democratic platform? Does he realize that he must withdraw large parts of the speeches in which he has denounced this Hawley-Smoot bill as the origin of all the world's calamity?

I have the privilege of informing him that 66 percent of all the duties collected on all of the imports into the United States are directly on imports of agricultural origin and the reduction of which would affect American farmers.

Are we to take it that all the diatribes we have heard from the Democratic orators throughout this campaign are in respect to only one-third of the American tariffs? For just 7 days ago the Democratic candidate said, "The Hawley-Smoot tariff law carried the decline in world trade, and what amounted to a world calamity became a general international calamity." Since that time he must have concluded that the farm tariffs have done the world no harm.

You will further remember that under the tariff act two-thirds of our imports are free of duty, and now he excludes two-thirds of the remaining one-third that are dutiable. Does the Democratic Party now pretend that this terrible world calamity which we have encountered was caused by the tariffs on one-ninth of the imports into the United States? And further, do they know—and they do know—that of this one-ninth of the imports of nonagricultural commodities less than one-half of them were increased by the Hawley-Smoot tariff bill?

Now to continue our mathematical explorations a little further, I'm wondering if they pretend that this calamity was caused by increase of tariffs on one-eighteenth of the imports of the United States? And I may pursue this mathematical course still further. Do they recognize that the whole of our imports, that is, the imports of the United States, constitute less than 12 percent of the imports of the world all taken together, and thus, in this revised view, the increased duties on one-eighteenth of one-twelfth or less than one-half of 1 percent of the world's import trade brought about this gigantic calamity by which 30 nations have failed or gone to revolution.

Should not the Democratic candidate now at last search in the aftermath of the World War for the origins of our difficulties and stop this nonsense?

I wish to extend this discussion a little further. It is desirable that the Governor may explain himself some further on other tariff questions. Does he include the reduction of the tariff on cotton textiles, so largely manufactured in the South? I have included but a part of the textile duties in the agricultural tariffs—the tariffs on agricultural products—inasmuch as only a part of the raw cotton is dutiable. And I wonder whether he proposes to close up the Southern cotton mills?

In view of this new light of maintaining tariffs, I wonder if he has considered the grievous position that the oil industry might be in in the States of California, Oklahoma, Texas, and Kansas, if they are left out? Has he considered the copper industry in the States of Arizona, Montana, Michigan, and Utah? Has he considered the tariffs on metal and other products which affect the welfare of the whole of the people of New England, New York, Pennsylvania, California, New Jersey, Ohio, Indiana, Illinois, West Virginia, and other States? Has he considered the tariff on pottery and chemicals and its effect upon New Jersey, Ohio, Indiana, Illinois, New York, Pennsylvania, West Virginia, California, and a lot of other States? And will he consider the tariffs on lumber and their effect on Oregon, Washington, California, and Wisconsin? If we are going to retreat from a reduction of the tariff those people ought to have some word of comfort also.

Perhaps if he would give the same consideration as to the effect of reducing the tariff for these other people, he will come to the same conclusion as that which he has been forced to come by this debate in respect to agriculture. Now, if political exigencies have forced this temporary conversion on agricultural products, how far is the Governor authorized to change at will the traditional policies and the platform of the Democratic Party? How far can he guarantee to bring with him the Democratic Members of the House and the Senate who voted against the bills carrying the increases in agricultural tariffs, and how about the men who wrote that plank in the Democratic platform? Now do you who are farmers believe in eleventh-hour conversion? Do you

consider that your livelihood is safe in the hands of the traditional and the present enemy of the protective tariff?

Perhaps the Governor and the whole Democratic Party will now withdraw and apologize for the defamation to which I have been subjected for the past 2 years because I called a special session of the Congress and secured an increase in agricultural tariffs.

Now I am, myself, taking heart over this debate. If it could be continued long enough, I believe we could drive him from every solitary position he has taken in this campaign. They are equally untenable. But even on the tariff, he perhaps remembers the dreadful experience of the chameleon on the Scotch plaid. And I can illustrate this to you.

As to the balance of the protective tariffs, unless this late conversion extends further than agriculture, he proposes to reduce them in the face of the fact that during the last 12 months there has been a violent change in the economy of the entire world through the depreciation of currencies in some 30 European nations and thus a lowering of their standards of living and the creation of still greater differences between the costs of production in the United States and abroad.

Now, the Republican Party is squarely for the protective tariff. I refuse to put the American workers and farmers into further unemployment and misery by any such action as the unrepented principles of their Members of the Democratic Congress and their platform.

The Governor's new shuffle, however, requires that he give some further assurances to our farmers in order to make it consistent. The Democratic House of Representatives and their allies in the Senate passed a bill directing me to call an international conference for the purpose of reducing tariffs. The Governor has supported this in his program. That means that we should surrender to foreigners the determination of a policy which we have zealously held under American control for nearly 150 years, ever since the first protective tariff was enacted under George Washington's administration. This would, in that manner, place the fate of American workers and American farmers in the hands of foreign nations, and I vetoed the bill.

But the point that I wish to make now is that the Governor should give assurances to the farmers that if he calls this conference which he has

assured he will do, that he will exempt agricultural tariffs from the discussion therein.

Further than this the Democratic Party and their candidate propose to enter upon reciprocal tariffs. That idea is not entirely new in our history, although it is a violation of what has now become a firmly fixed principle of uniform and equal treatment of all nations without preferences, concessions, or discriminations. It is just such concessions and discriminations that are producing today a large part of the frictions over tariffs in Europe. I suppose our Democratic friends blame these European tariff wars on the Hawley-Smoot bill.

Though reciprocal tariffs are a violation of well-established American principles, this Nation has fallen from grace at times and attempted to do this very thing. At one time 22 such treaties were negotiated for this purpose. Congress refused to confirm 16 of them; 2 of the remaining failed of confirmation by other governments; and 4 others were so immaterial as to be forgotten. On another occasion Congress conferred on the Executive a limited authority to make treaties of this character. Twenty-two of them were agreed upon, all of which were repealed by tariff acts. Now this demonstrates just one thing: that in an intelligent democracy you cannot surrender the welfare of one industry or one locality in order to gain something for another.

But there is an overriding objection to a reciprocal tariff upon which the Governor's new shuffle requires that he give these further assurances to the farmers. The vast majority of the wishes of foreign countries about our tariffs is to get us to reduce our farm tariffs so that they may enter our agricultural market. The only concessions that we could grant through reciprocal tariffs of any great importance would be at the cost of our farmers. Since the Governor has assured the Nation of a policy of reciprocal tariffs, he should give an assurance to the farmers that the farm tariffs will not be included and that he will abandon the whole idea of reciprocal tariffs in relation to agriculture. This, of course, takes away the whole foundation of the trading value in reciprocal tariffs. And we may as well abandon the further discussion of that in this campaign.

In all this discussion about reducing tariffs it should be remembered that if any one of the rates or schedules in our tariff is too high, it has been open to our opponents during the whole of the last session of the House of Representatives to pass a simple resolution and thereby secure its review by the Tariff Commission. Did they do that? They did not.

The establishment of the Tariff Commission with this authority destroyed one of the campaign methods of the Democratic Party, and that was to conduct their campaigns by exhibiting kettles and pans to the housewives of the Nation and explaining what unjust cost was imposed upon them by the tariff. Now that maneuver is no longer effective, with the bipartisan Tariff Commission open to give remedy to the housewives of the United States.

The Democrats propose, in fact, passed a bill in the last session in the lower House, to destroy the authority of the bipartisan Tariff Commission by which it may change the tariff so as to correct inequities or to alter the schedules to meet the changing tides of an economic world. Thus, they propose to return to the old logrolling, the old orgies of greed, viciousness, and stagnation of business during general congressional action in review of the tariff.

The increased authority to the bipartisan Tariff Commission to make changes in the tariff with the approval of the President was brought about at my insistence, and with the sterling courage of your Senator, 2 years ago. That was the greatest reform in tariff legislation in half a century. And it originated from Theodore Roosevelt.

No better example of the vital importance of the flexible tariff exists than today, when we are in the crisis of men and women being thrown out of employment due to depreciated currencies abroad and of low-priced farm products moving over our borders. The commission is today reexamining the new differences in the cost of production at home and abroad that action may be taken to restore men and women to their jobs.

Sound public policy maintains the necessity of this Commission and its authorities. The Democratic policy is to destroy it, but perhaps the Governor of New York will offer us a new deal in this matter, also.

Now, related to the tariff, the Democratic candidate proposes to place the payment of the war debts owed to us by foreign countries squarely on the shoulders of the American workman and the American farmer by lowering the tariffs for this special purpose. He would let down the bars to the American market for foreign commodities to the extent necessary that foreign nations may collect from the profits of their manufactures the money with which to pay these debts. Will he now exclude the 66 percent of dutiable imports, which are farm products, from this proposal?

My own view in opposition to cancellation of the war debts is a matter of public record through many public statements and messages to Congress. I have proposed that if opportunity offers we should use the foreign debts, payment by payment, to expand foreign markets for our labor and our own farmers. That is not cancellation and that is the reverse of the announced policy of the Democratic candidate.

At no point in this campaign have our opponents stated clearly and definitely their position on immigration. I have looked for it. I may have overlooked it. If I have I apologize. I have stated that I favor rigidly restricted immigration. I endeavored to secure from the Congress the return of the quota bases from the national origins to the base previously given. I have recommended that a more humane provision should be made for bringing in the near relatives of our citizens. I shall persist in these matters.

I have limited immigration by administrative order during the depression in order to relieve us of unemployment or, alternatively, to save the jobs of our people who are now at work. Two years prior to that order going into effect slightly under half a million immigrants came into the United States. Since it went into effect, more have gone out of the United States than have come in. The distressed people with lowered standards of living that would have come in would have been a far greater addition to our unemployed than even this amount. The Democratic candidate, incidentally, overlooked that little item in stating that the Republican administration had done nothing in the first 2 years and 2 months of this depression.

I have repeatedly recommended to the Congress a revision of our railway transportation laws in order that we might create greater stability and greater assurance in this vital service of transportation. The regulation should be extended to other forms of carriers, both to prevent the cutthroat destruction going on in their own business amongst themselves and to prevent their destruction of the other great major arm of our transportation. I have set this matter out in numerous messages to the Congress. I have supported the recommendations of the Interstate Commerce Commission, which are specific and not generalities. Our opponents have adopted my program in this matter during this campaign except for certain glittering generalizations, as to which they do not inform us how they are to be accomplished and upon which I enter a reservation.

I have repeatedly recommended the Federal regulation of interstate power. I stated as early as 7 years ago that "glass pockets are the safety of the industry as well as of the public." I secured the creation of an independent Power Commission by Congress 2 years ago under the leadership of your Senator. I have opposed and I will continue to oppose, the Federal Government going into the power business and the further extension of Federal bureaucracy.

The intention of many of the men at least that are campaigning for the Democratic Party and under the auspices of and with money provided by the Democratic National Committee, are certainly to put the Government into the power business, and it would seem that they must have confidence that their notions will be put over by the Democratic candidate.

The Democratic candidate assures us that he will preserve the great water powers of the country for the people. That is already provided by the law passed 20 years ago—passed in 1920—and it, therefore, presents no difficulty to vigorous campaign promises.

In my acceptance speech I stated that this depression had exposed many weaknesses in our economic system. It has shown much wrongdoing. There has been exploitation and abuse of financial power. These weaknesses must be corrected, and that wrongdoing must be

punished. We will continue to reform such abuses and correct such wrongdoing as falls within the powers of the Federal Government.

Furthermore, the American people must have protection from insecure banking through a stronger banking system. They must have relief from conditions which permit the credit machinery of the country being made available without adequate check for wholesale speculation in securities, with its ruinous consequences to millions of our citizens and to our national economy. This the Federal Reserve System by its present constitution has proven incapable of bringing about. I recommended to the Congress the sane reform of our banking laws. The Democratic House of Representatives did not see fit to pass that legislation in the last session, but we shall persist until it has been accomplished.

About a year ago, I recommended to the Congress an emergency relief to our depositors in closed banks that through temporary use of the credit of the Federal Government a substantial portion of their assets should be forthwith distributed in order to relieve distress and to enable depositors to reestablish their business. The Democratic Congress refused to pass such legislation in the last session, except for a minor provision of authority to the Reconstruction Corporation which does not reach to the heart of the question.

The Democratic candidate and his corps of orators have not yet disclosed their position on this subject. It concerns the welfare of 4 or 5 million Americans.

We have listened to much prattle from the opposition about reducing Government expenses. Having a record of earnest performance, I naturally exposed those insincerities in the last address which I made at Detroit.

My only comment on this occasion is that if I receive a mandate from the American people in this election, I shall be able not only to force upon this Democratic House real economies, but I shall be able to stop further raids by the Democratic Party on the Treasury of the United States.

Now, through some misinformation presented to him, the Democratic candidate has annexed, as if it were a new discovery, the rec-

ommendations which I made in 1922 and have been continuously advocating ever since for the reorganization of the whole Federal administrative structure for purposes of economy by consolidation of bureaus and the elimination of useless boards and commissions. The candidate in a speech 3 days ago was thus led to misrepresent the present situation in suggesting that I, having these powers, had not executed them. He did not realize that the Congress having no longer been able to oppose this reform, did pass a measure during the last session granting such an authority to the Executive to bring it about. They, however, denied my request for immediate action, except on minor questions, and made that authority dependent upon the approval of the Congress, which cannot be given before next March under the terms of the law. If the Democratic candidate will read the law and inform himself fully on the subject I have no doubt he will withdraw that statement.

I recently gave an address at Des Moines devoted largely to specific measures now in action and to be put in action for agriculture.

I also, likewise at Cleveland, gave an extended exposition of the measures and policies which we have in action and propose for labor and employment. I am in hopes that these statements may be carefully considered, and our time is too short this evening to go into those items in detail although I hope to take them up again in this campaign.

One of the most important issues of the campaign arises from the fact that the Democratic candidate has not yet disavowed the bill passed by the Democratic House of Representatives under the leadership of the Democratic candidate for Vice President to issue \$2,300 million of greenback currency—that is, unconvertible paper money. That is money purporting to come from the horn of plenty but with the death's head engraved upon it. Tampering with the currency has become a perennial policy of the Democratic Party. The Republican Party has had to repel that many times before now. In the absence of any declaration by the Democratic candidate on this subject during 7 weeks of this campaign, no delayed promise now can efface that policy. The taint of it is firmly embedded in the Democratic Party, and the dangers are embedded in this election. If you want to know what this “new deal” and this sort

of money does to a people, ask any of your neighbors who have relatives in Europe, especially in Germany.

I have stated that I do not favor the prepayment of the soldiers' bonus of \$2,300 million. It was passed by the last Democratic House of Representatives. It will no doubt be attempted again. The Democratic candidate has not yet stated to the American people fairly and squarely what his attitude will be upon that subject.

The reasons why I do not approve of it can be illustrated by the father who in a generous moment promised his young son a bonus of \$100 when he was 21 years old. That boy was led to ask his father for the \$100 13 years in advance. His father said: "Times are bad. I am hard-pressed. I have to bring up and educate a great many children, and I haven't the money. I am placing \$5 per annum in the savings bank and as it is compounded it will amount to the \$100 when you are 21 years old." Some of his friends added that he might pay the boy in stage money.

Now, the moral of that story is that you cannot eat your loaf of compound interest before the dough has had time to rise. And the further political moral of that story is that it was said by the father's political opponents that his son would never vote for his father for public office.

There is no one in high public office who knows better than I do from personal observation the service given by the youth of this country in the Great War. I have insisted upon their care when in distress. I have expanded the services given to the veterans at the cost of much personal criticism. But with all of my regard and my feeling I cannot endanger the stability of this country in this special demand of a part of the veterans or any other special group.

Someone just asked the difference between this payment and the loans given by the Reconstruction Corporation. There is just this difference: One of them is a large gift from the Government and the other is loans upon security for a period of 6 months only.

But of one thing I will assure the veterans, and that is, when they are paid, they will be paid in real American money.

During the past few weeks the Democratic candidate has had a great deal to say in endeavoring to establish the idea in the minds of the American people that I am personally responsible for the bad loans by American bankers and investors to numerous foreign countries. He says: "This is an unsavory chapter in American finance." I agree with part of that. "These bonds are in large part the fruit of the distressing policies pursued by the present administration in Washington. None other, if you please, than the ability of lending to backward and crippled countries." That is the end of the quotation from him.

The Governor does not inform the American people that there is no Federal law regulating the sale of securities and that there is doubtful constitutional authority for such a law. And he fails to state that most of these bonds are issued from the State of New York, which sovereignty has such an authority, and where the government has done nothing of a reform to that evil, if it be one. I recollect a Republican Governor of New York who, believing that wrong was being done to the citizens of his own and other States on life insurance, found a man named Charles Evans Hughes who cleaned that mess up once and for all.

The Governor has not stated to the American people my oft-repeated warnings that American loans made in foreign countries should be upon sound security and confined to reproductive purposes. I have defined these loans as being the loans made for creative enterprise on which their own earnings would repay interest and capital. In one of his addresses the Governor pretends at least not to understand what a reproductive loan is, and yet, as I will show you in a moment, he does know something about it. I will say at once that when we have surplus capital, properly secured loans for reproductive purposes abroad are an advantage to the American people. They furnish work to American labor in the manufacture of plants and equipments; they furnish continuing demand for American labor in supplies and replacements. The effect of such creative enterprise is to increase the standards of living amongst the people in those localities and enable them to buy more American products and furnish additional work for American labor.

I have no apologies to make for that statement. It is sound; it makes for the upbuilding of the world; it makes for employment of American

workmen and profits for American investors. If it be followed there would be no losses. In these statements made by the Governor he entirely omits the conditions and warnings with which I have repeatedly surrounded the statements upon this subject and the warnings which indeed I have given broadcast over the last 7 years in respect to this type of investment. Although no Federal official has any authority to control the security offered on these loans, none of them have defaulted where the safeguards proposed by me have been followed.

It is obvious from the Governor's many speeches that he now considers that all foreign loans are wrong. He seems to consider the selling of foreign bonds in our country to be wicked and the cause of our calamities. And an interesting part of all this tirade is that I have never yet been engaged in the selling of foreign bonds and foreign loans. I have not been accused of that. The Governor, however, has an advantage over me in experience in that particular. As late as 1928 the Governor was engaged in that business for profit and actively occupied in promotion of such loans. At that time he was the chairman of the organization committee of the Federal International Banking Company, a corporation organized for the selling of foreign securities and bonds to the American people. I have in my hand a prospectus of that corporation in which the foreword, written by Mr. Roosevelt before he resigned that position to take the Governorship, reads as follows:

"The organizers of the Federal International Banking Company feel that foreign investments are in the nature of alliances. . . . The Federal International Banking Company will provide a new source of supply from which American demand for foreign investments may be satisfied. . . . It is intended to promote the expansion of American foreign trade. . . . Investments in the Federal International Banking are intended to be self-liquidating. . . . It will be put to sound protective uses a part of the surplus capital of our Nation."

". . . its operations can be widely distributed in foreign countries and various industries."

". . . that we must aid foreign debtors to purchase our products, rehabilitate themselves, expand and develop, and earn money with which

to liquidate their debts, that foreign loans should be facilitated to aid the export sale of American products.”

Now I'll ask you if any more vivid statement of the policies which I have just pronounced to you was ever made than that.

Throughout this prospectus constant reference is made to the fact that it is organized under the law, and the impression is given that in consequence it has some sort of official blessing from the Federal Government, including quotations from myself.

I have no reason to believe, I do not believe, that the Governor's enterprise on this occasion was not perfectly proper and was soundly founded. I do not wish to convey any such an impression. But the Governor as a private promoter for profit during the boom of 1928 believed and practiced what the Governor, a Presidential candidate, now denounces immoral and a cause of our calamities.

Two weeks ago at Cleveland I felt it was necessary to denounce certain calumnies being circulated in this campaign by the Democratic National Committee in official instructions to their campaign speakers. That committee privately acknowledged that these have not a shred of foundation, and yet they refuse to take the manly course and withdraw those statements. They have sought to maintain their continuing poison by silence.

I now have before me other calumnies of the Democratic National Committee, circulated in the same fashion by instructions to their campaign speakers. These instructions bristle with titles such as these—and these questions will interest American women—they are entitled: “How President Hoover has failed children.”

“His real interest in the Nation's children may be gained by his recorded effort to emasculate and disrupt the Children's Bureau.”

“The bunk of the Home Loan Bank.”

Governor Roosevelt implies his endorsement of these calumnies by repeating these implications in his speeches when he speaks of what he calls “. . . attempts that have been made to cut appropriations for child welfare.”

And again when he states that: “the United States Public Health Service has said that over 6 million of our public school children

have not enough to eat; many of them are fainting at their desks; they are the prey of disease; and their future health is menaced."

In another speech he uttered a slur on the Home Loan Banking System created by this administration largely through the leadership of your Senator.

These things have importance only as indicating the desperate attempts to mislead the American voter. No woman in the United States believes that I am called upon to defend my interest in children over the past score of years. But more to the point of this discussion, I have a letter from the Chief of the United States Public Health Service to the effect that no such statement as that quoted by Governor Roosevelt has ever been put out by him or by that Service. Furthermore, I have an address, only a week old, by the president of the American Public Health Association, who is not a Government official, saying that "by and large, the health of the people as measured in sickness and in death has never been better in the history of the United States despite this depression." That shows the devoted work of thousands of American women and men whom his statements in this campaign sought to slur.

As to the Children's Bureau, I may demonstrate the untruth of that statement by the fact that the first year of my administration, despite hard times, I increased the appropriations of that Bureau from \$320,000 to \$368,000, which was every cent the Bureau asked for, and in the second year I recommended appropriations of \$399,000, which was every cent they said they could advantageously spend, and in the third year I recommended appropriations of \$395,000, but the Democratic House of Representatives reduced this by \$20,000. That scarcely looks like an attempt to ruin the Children's Bureau—especially on my part.

In the matter of the home loan banks, the Governor states that this idea was brought out in the middle of the campaign, and, like the instructions to speakers sent out by the Democratic National Committee he makes slurs upon it. That statement falls a little to the ground in the same slough of untruth as the others when it is recollected that I founded the Better Homes movement in the United States more than 10 years ago, whose activities in over 9,000 different communities

through the devoted service of thousands of American women finally blossomed into the White House Conference on Home Building and Home Ownership more than a year ago. On that occasion I proposed and secured the backing of the men and women of the United States for the plan which ultimately resulted in the home loan banks. And that bill was drafted and presented to Congress in December last. The refusal of the Democratic House of Representatives to act prevented its passage until the last hour of the session 8 months later and then only when the pressures from the women and the men devoted to the upbuilding of the American home had become so great that they dare not defeat it in the face of this political campaign.

Had that bill been passed when it was introduced, nearly a year ago, the suffering and losses of thousands of small homeowners in the United States would have been prevented. I consider that that act was the greatest act yet undertaken by any government at any time on behalf of thousands of owners of small homes. It provides the machinery, through the mobilization of building and loan associations and savings bank, by which we may assure to men and women the opportunity to bring up their children in the surroundings which make for true unity and true purpose in American life.

Now, in conclusion, in Governor Roosevelt's address delivered on October 25, he stated:

"After March 4, 1929, the Republican Party was in complete control of all branches of the Government—Executive, Senate, and House, and I may add, for good measure . . . the Supreme Court as well."

I invite your attention to that statement about the Supreme Court. There are many things revealed in this campaign by our opponents which should give American citizens concern for the future. One of the gravest is the state of mind revealed by my opponent in that statement. He implies that it is the function of a party in power to control the Supreme Court. For generations the Republican and Democratic Presidents alike have made it their most sacred duty to respect and maintain the independence of America's greatest tribunal. President Taft appointed a Democratic Chief Justice; President Harding nominated a Democratic Justice; my last appointment was a Democrat

from the State of New York whose appointment was applauded by Republicans and Democrats alike the Nation over. All appointees of the Supreme Court have been chosen solely on the basis of their character and their mental power. Not since the Civil War have the members of that Court divided on political lines.

Aside from the fact that the charge that the Supreme Court has been controlled by any political party is an atrocious one, there is a deeper implication in that statement. Does it disclose the Democratic candidate's conception of the functions of the Supreme Court? Does he expect the Supreme Court to be subservient to him and his party? Does that statement express his intention by his appointments or otherwise to attempt to reduce that tribunal to an instrument of party policy and political action for sustaining such doctrines as he may bring with him?

My countrymen, I repeat to you, the fundamental issue of this campaign, the decision that will fix the national direction for a hundred years to come, is whether we shall go on in fidelity to American traditions or whether we shall turn to innovations, the spirit of which is disclosed to us by many sinister revelations and veiled promises.

My friends, I wish to make my position clear. I propose to go on in the faith and loyalty to the traditions of our race. I propose to build upon the foundations which our fathers have laid over this last 150 years.

NOTE: The President spoke at 7:30 p.m. to approximately 22,000 people assembled in Butler University's Field House Stadium. The address was broadcast by the National Broadcasting Company and the Columbia Broadcasting System radio networks.

The above text is a transcript taken from a sound recording of the address.

359

Message to President Thomas G. Masaryk
on Czechoslovakia's Independence Day.

October 28, 1932

IT IS my especial pleasure to express today to Your Excellency and to the people of Czechoslovakia this country's cordial congratulations. Please accept my own best wishes for your continued health and happiness.

HERBERT HOOVER

[His Excellency Thomas G. Masaryk, President of Czechoslovakia, Prague, Czechoslovakia]

360

Rear Platform Remarks in West Virginia.

October 29, 1932

[1.] CLARKSBURG (9:10 a.m.)

I have come to believe that the people of West Virginia arise earlier in the morning than the citizens of any other State. In order to manage my job I have to get up about 6 o'clock in the morning, but I believe from the great crowds that welcome me early each morning as I pass through this State that you rise even earlier than that. The greetings that I have received in passing to and fro through West Virginia are most encouraging. You have been courteous. You have been generous, and you have given a profound indication to the country as to where you will stand on the 8th day of November.

A short occasion like this renders it difficult to adequately speak on national issues. There are one or two points, however, of vital importance in this campaign to you in this city. I have seen this morning an advertisement of a New York retail establishment, in which they state that they are able to offer hosiery at prices which are demonstrated by our officials as 30 to 40 percent less than you can manufacture them

in this community, and that the reason they are able to offer them at these prices is due to the depreciated currencies abroad and their ability to take advantage of that lower exchange in securing commodities in competition with your workmen.

And in the face of this our Democratic opponents propose to reduce the tariff as it stands. The Republican Party not only proposes to hold the tariff where it stands but through the Tariff Commission, whose authorities were created by the Republican Party in the Smoot-Hawley bill about a year ago, we propose a review of the differences in cost of production at home and abroad and determine if we are justified in an adjustment that should protect your community.

That inquiry is now underway. If this advertisement is true I am confident that it will show such a change in the costs of production as will make it possible to give to you relief. And I ask you whether the fate of your city and your community and your State will be more safe in the hands of the party which has fathered and for 70 years supported and strengthened the protective tariff than in the hands of the party who have always opposed these policies and who now promise a reduction of these protective tariffs.

Our Nation for the past 3 years has been passing through a great crisis. The early stages of the depression were more or less the normal stages of retribution from overspeculation and exploitation of our people. We have experienced them many times before and recovery has speedily followed. But about 18 months ago came a blow to the United States through the collapse of the nations abroad as an aftermath of the World War, the repercussions of which endangered this entire Republic.

The unprecedented action taken by the Republican Party, supported, I am glad to say, by those patriotic members of the Democratic Party who placed patriotism higher than politics, enabled the Nation to escape those dangers, have saved the Nation from chaos and collapse, and brought us into the stage of recovery. Our measures and policies have been turned from defense into measures of attack upon the depression.

Since the adjournment of the Democratic House of Representatives, we have seen every day evidences of constant recovery. You will notice if you look at the business statistics of the country the increasing employment month by month. You will notice the increased car loadings which show again the increasing movement of goods. You will find in every quarter of the country the signs of recovery. And if the strategy and if the policies which have directed this great battle for the preservation of the United States and for the institutions and are now operating for recovery shall be continued without change they will bring restored prosperity to the American people. We have carried the firstline of trenches by the reestablishment of confidence in the stability of the United States. And if we can proceed with the battle without change or halt we shall win a victory for the American people that will assure their safety.

I wish again to express the appreciation that I have for the support and encouragement from the people of West Virginia. I believe that you will rally to the support of the Republican Party on the 8th day of November as the party of constructive action and give to us a victory which the party deserves for the service it has given over these many years to the American people.

[2.] GRAFTON (9:55 a.m.)

My friends:

I deeply appreciate this greeting. It is encouraging, and it is an indication of the action which you will take on the 8th of November.

In the short moment I have here I would like to refer just one moment to the railway problems which we have faced during the past 2 or 3 years. You are interested in the success of the railways. A year and a half ago we were faced with the fact that the earnings of the railways were less than the amount necessary to meet their fixed charges. Over the trough of this depression we were faced with the possibility of receivership of three-fourths of the railways of the United States. Such a failure would jeopardize the policyholders in our insurance companies and the savings in our banks which are invested in our railways. And those of you who have had experience with a railroad in receivership

know what the result is to the men who work upon those railways. You know that once the railways go out of the hands of their responsible managers, the intimate contacts of the men with the management of the railways is gone, contracts and understandings suffer. And of further importance is the fact that by supporting the railways we have been able to support them in the maintenance of a reasonable wage to the men who have to operate the railways of the United States.

You will recollect that early in the depression I secured an agreement between the industrial leaders, including the railway leaders and the leaders of labor, that there would be no reduction in wages. That was the first time in the history of 15 depressions in the United States that the first act of depression was not the so-called liquidation of wages—placing the first burden of the readjustment of the depression on the back of the workers. As time went on and the depression deepened, the cost of living decreased, profits vanished, and there were readjustments in wages, but those readjustments represented the contribution of the men to the stability of their own industry. They were not by the violence of strikes and lockouts and social disturbances and destruction to the whole social stability of the United States. They were your voluntary contribution to your own order.

We have gone further. We have immediately provided advances to the railways to enable them to repair equipment, to replace their equipment in order that with the gradual resumption of traffics they shall be able to meet that demand, and thus increase and maintain employment.

You know and I know that since the adjournment of the Democratic House of Representatives these great measures that we have in action for rehabilitation of the country have begun to have their effect. We have witnessed increase of car loadings from about 490,000 cars a week to over 650,000 a week. This means the recovery of the United States, and it means the recovery of employment to the railway workers.

And this is but one segment of the great program and the great problems that are involved in the rehabilitation of our country. There are many others affecting different communities, but everywhere they have begun to have their effect and we have begun to see their results. This is no time, when we are in the midst of the most gigantic battle

that our country has ever been plunged into in time of peace, to change that strategy or the policies of battle.

[3.] **PIEDMONT** (12:10 p.m.)

My friends:

I wish to express my appreciation for this greeting. It gives me an opportunity to see some of the people of West Virginia. It gives you an opportunity to look at me. But it is very encouraging to have you come to the station and give me this welcome. It is an evidence of what you will do on the 8th of November, for it means the support and encouragement of this administration in its work for restoration of employment and agriculture in the United States. We have already made progress on that road. We are making more rapid progress every day.

But this is not a time to discuss national issues. It is a time for me to express my appreciation to you for the kindness of your greeting.

[4.] **KEYSER** (12:23 p.m.)

My friends:

I deeply appreciate your coming this morning to give me this greeting. It is heartening, and it is encouraging. And it is evidence of what you propose to do on the 8th day of November.

This is not an occasion at which I could speak at length on our national issues. Many of you realize the difficulties we have passed through in the last 3 years and the battle which we have made to protect our country from great disasters. You know that we have succeeded in a great defensive battle against the sweep of destruction and chaos. You know that we have now turned the forces and agencies in our control towards restoration of employment and the restoration of agriculture. You have seen during the past few months evidence of recovery from these difficulties. They are evidence that the Republican Party has conducted the country wisely; that it has met the Nation's difficulties with courage; that it has devised the means and methods by which our people have been protected and by which they shall continue to make progress to recovery.

I wish to express again my appreciation for your coming. It is a great encouragement. It gives me a great hope and a great faith in the battle which we are carrying on.

[5.] MARTINSBURG (2:15 p.m.)

My friends:

I wish to express my gratitude this time for two things: first, for the basket of apples. They are always gratefully received from Martinsburg. And second, I want to express my appreciation for your coming to greet me. It is always an encouragement. It is always helpful, and besides that it is a sign as to what will happen in Martinsburg on the 8th day of November.

I have thought the people of Martinsburg might be interested if I was to read an advertisement. Sometimes we resent reading advertisements, but here happens to be one of peculiar interest to the people of Martinsburg. This advertisement in a New York paper, refers to wool hose. It states that 8,000 pairs of these snug fitting, ribbed, soft English hose have been purchased abroad at the low wool and sterling prices because of the depreciation on that currency. And they are offered for sale at 39 cents a pair. I am informed that even at the reduced wages—and I understand there have been two or three reductions in wages in your factory in Martinsburg—but even at this reduced wage you cannot manufacture those hose for less than 50 cents a pair.

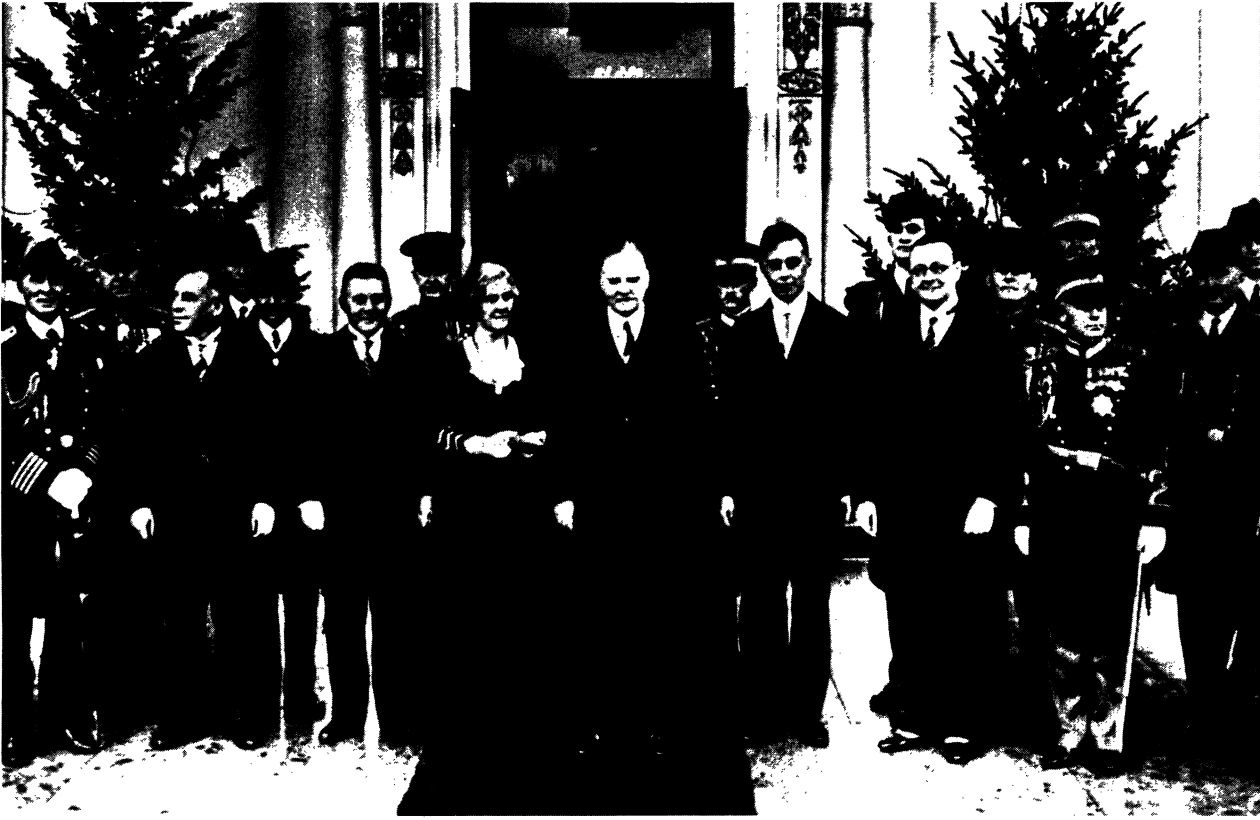
This raises a great question—a question that is an issue in this campaign. The Republican Party stands for the protective tariff. Our Democratic opponents propose to reduce the tariff, and they propose to reduce it in the face of these depreciated foreign currencies, in the face of the fact that living and wages have been decreased abroad as the result of the depreciation of those currencies below the standards of the tariff when that act was passed. Today at reduced wages, the people in Martinsburg are losing employment and suffering reductions of wages.

I recently asked the Tariff Commission, a bipartisan body, to investigate the differences of cost of production between those of Martins-



International Newsreel

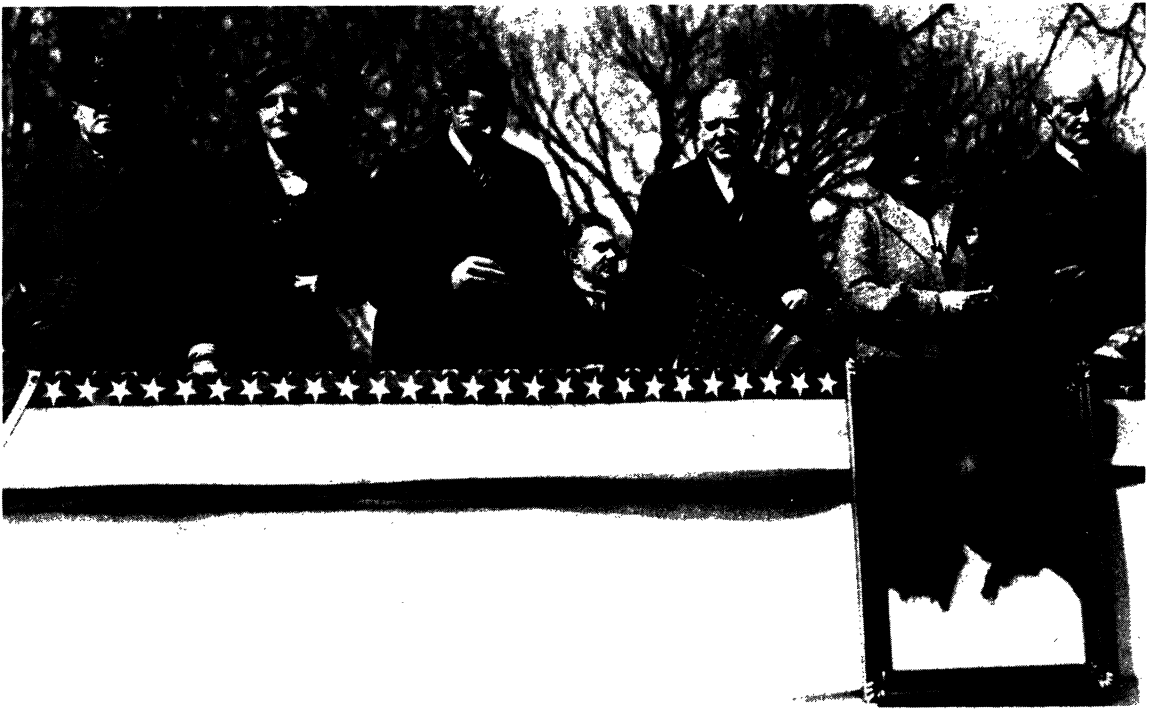
President and Mrs. Hoover leaving Christ Episcopal Church
in Alexandria, Va.



With Presidential
Secretaries and Military
Aides at annual New
Year's reception

Speaking to the National
Education Association at
the George Washington
birthday observance at
Mount Vernon





Viewing Army Day parade from stand in Potomac Park

U.S. Signal Corps

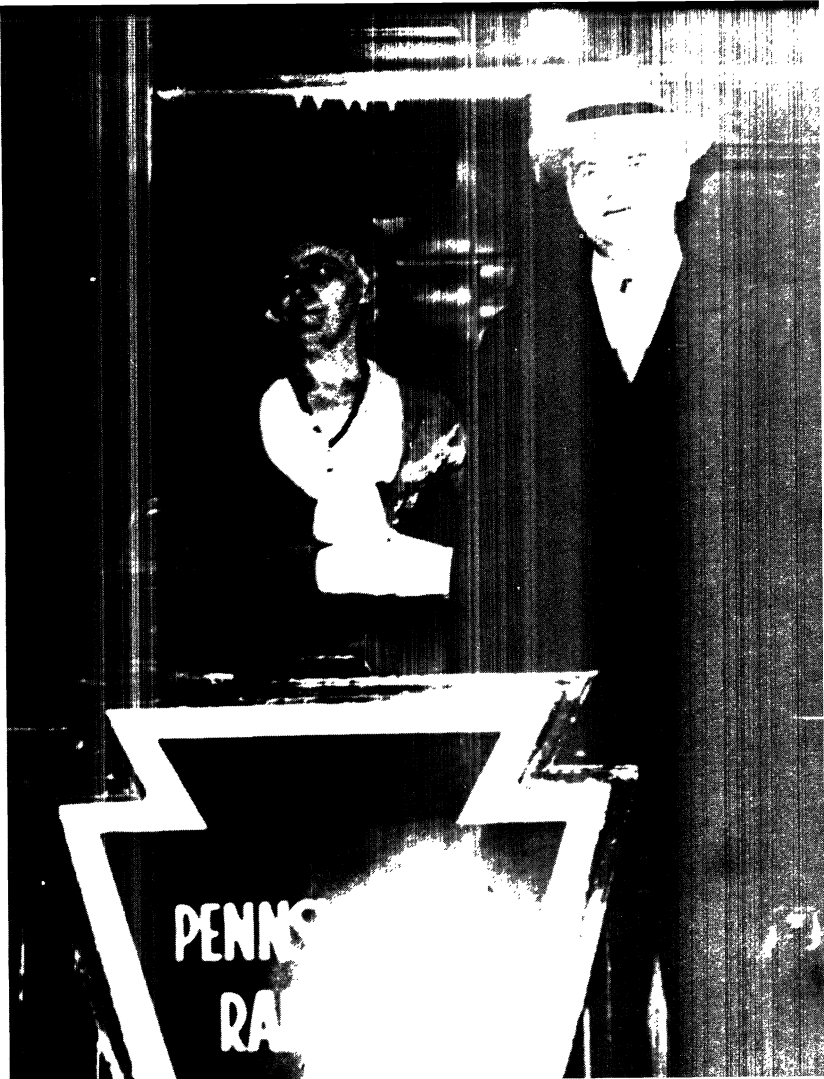


Receiving first copy of the George Washington Bicentennial portfolio
from John Thomas Ames, president of the American Society of Etchers

International News

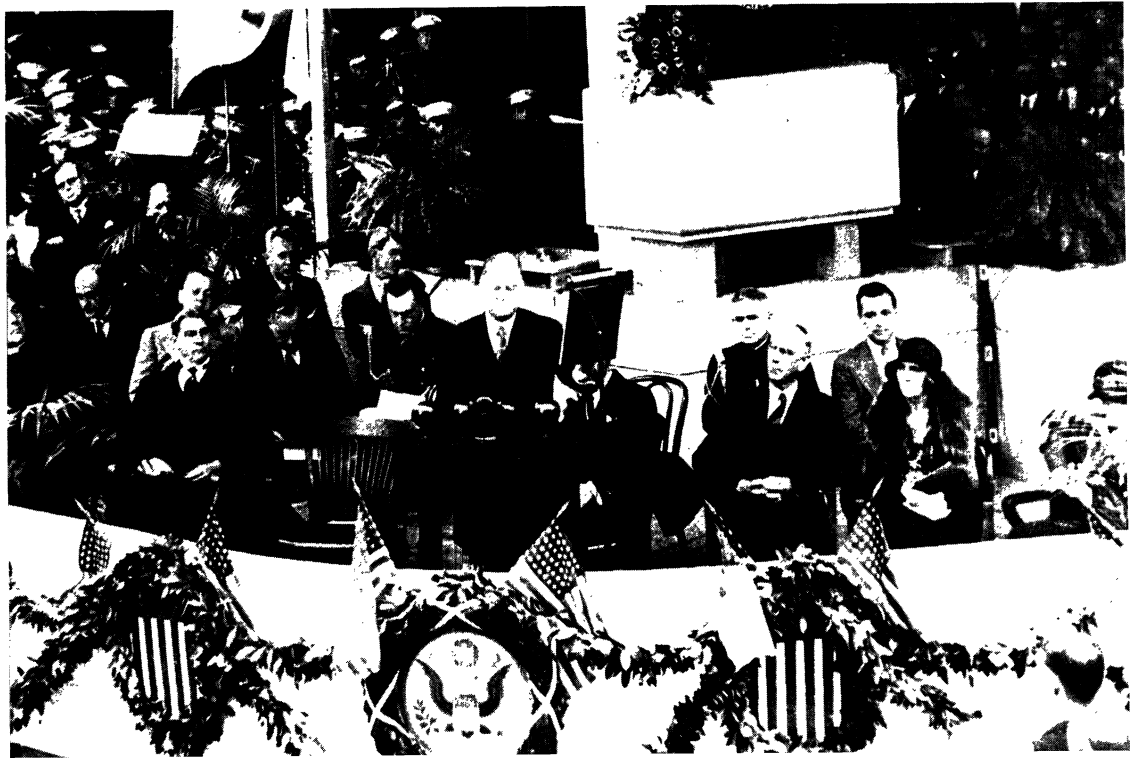
From the rear platform of
the campaign train in
Des Moines, Iowa

Laying the cornerstone
of the Post Office
Department Building



U.S. Information Agency

U.S. Signal Corps

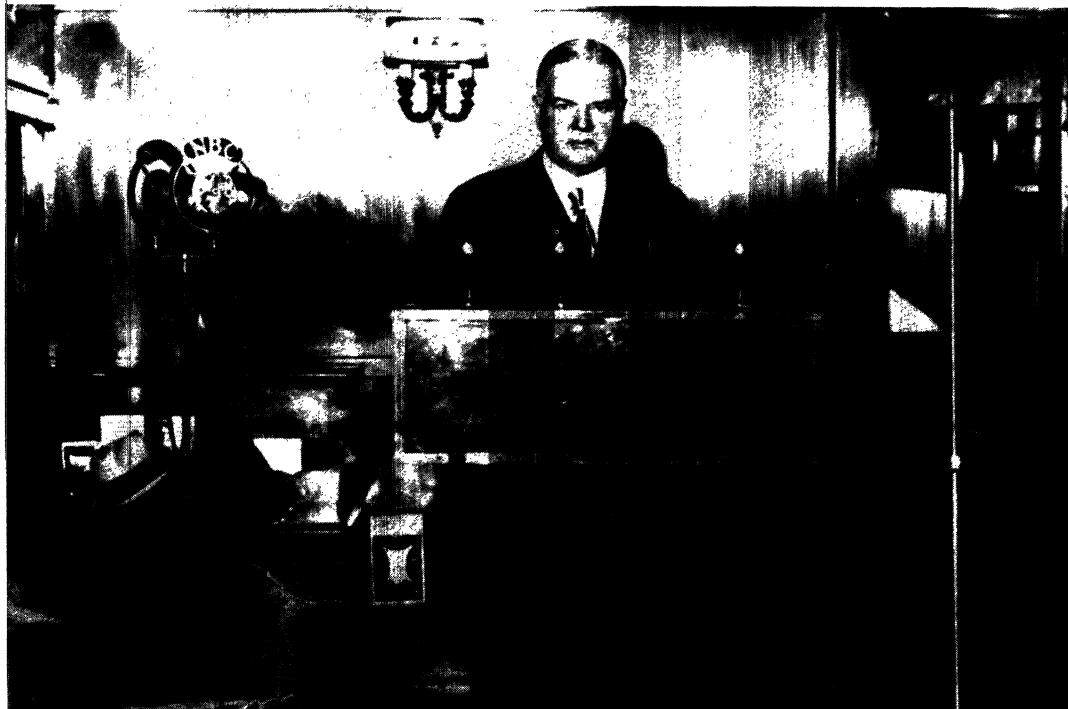




Laying the cornerstone of
the United States Supreme Court Building

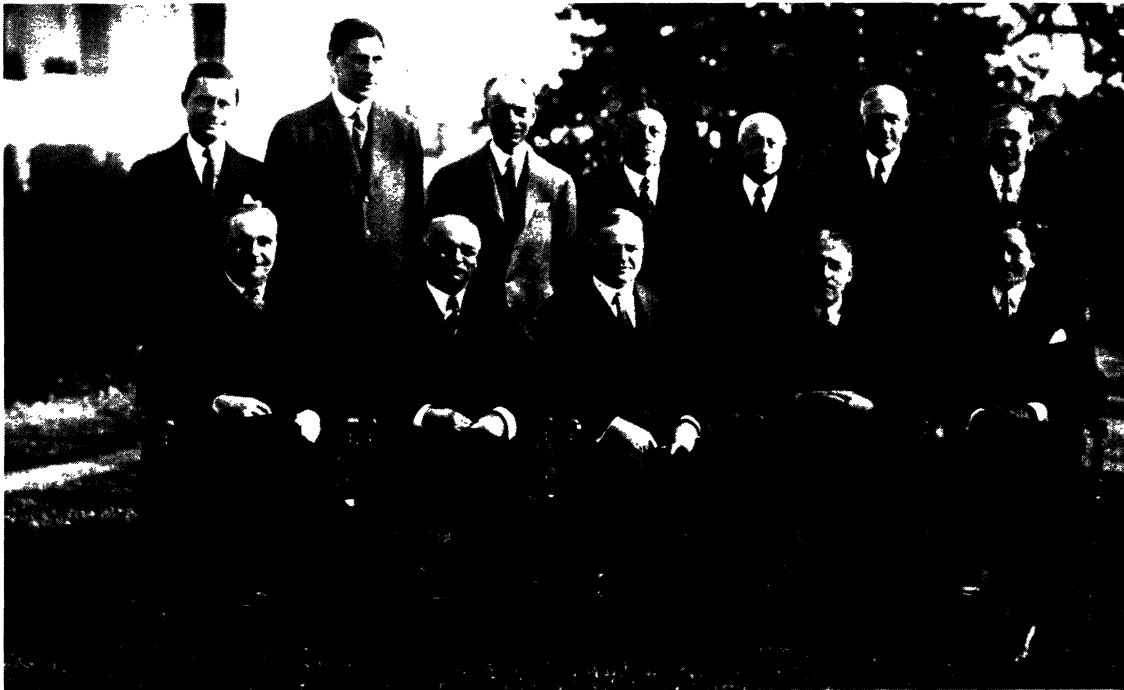
Making last campaign speech via radio
from train en route to California

International News





In the tunnel at Hoover Dam



Harris and Ewing

The President and his Cabinet. *Seated, left to right:* Secretary of the Treasury Ogden L. Mills, Vice President Charles Curtis, the President, Secretary of State Henry L. Stimson, and Secretary of War Patrick J. Hurley. *Standing, left to right:* Secretary of Commerce Roy D. Chapin, Secretary of the Interior Ray Lyman Wilbur, Attorney General William D. Mitchell, Postmaster General Walter F. Brown, Secretary of the Navy Charles F. Adams, Secretary of Agriculture Arthur M. Hyde, and Secretary of Labor William N. Doak



President and Mrs. Hoover leaving the *Sequoia*
after a cruise off the coast of Florida

Laying the cornerstone of the National Archives Building

National Archives





With President-elect Franklin D. Roosevelt leaving the
White House en route to the Capitol for the inauguration

burg and those of the places in England where these hose are produced, and to determine whether or not under the flexible provisions of the tariff some relief could be given to the people of Martinsburg.

The Democratic Party proposes as one of the issues in this campaign that it will take from that Commission the authority under which such acts could be performed.

I want to leave these thoughts with you that here is a town where the well-being of your homes, where the satisfactions and comforts of your life, are today and will be further jeopardized by the transfer of the power of the Government of the United States to the Democratic Party on the 8th day of next November. Do you think things cannot be worse?

You will all realize that we have gone through a time of great difficulty. For the last 3 years we have been fighting with forces such as we have never before met in peacetime history of the United States. They have accumulated in strength and in volume at one time to a point where it appeared that we could scarcely save our country from chaos and degeneration. We did, however, through the courage of the American people, through the cooperation of the united action of the whole of the country, and the leadership of the Republican Party, get by and save ourselves from collapse. And we have now turned those agencies and those policies to the problem of recovery in the United States, and those of you who are familiar with the events of the last 4 months will realize that we are moving on that road to recovery.

As a final word, I wish to say that we cannot recover if you are going to lose the work of your factories, as is indicated by this advertisement in yesterday's papers.

I thank you.

NOTE: The President was en route to Washington, D.C. after delivering a major campaign address at Indianapolis, Ind. Times provided for the President's remarks are approximations based on his itinerary.

361

Message to President Mustapha Kemal
on Turkey's Independence Day.

October 29, 1932

ON THIS NATIONAL holiday when the Turkish Republic celebrates the anniversary of its foundation, I take sincere pleasure in sending to Your Excellency most cordial congratulations.

NOTE: As printed above, this item follows the text set forth in a contemporary news account.

362

Message to the American Bible Society
on Universal Bible Sunday.

October 30, 1932

[Released October 30, 1932. Dated September 19, 1932]

My dear Mr. Brown:

Universal Bible Sunday once a year brings to all our people simultaneously a concerted stimulus to study the Bible and to ponder its inexhaustible wealth of inspiration and example. The spiritual life is enriched by the annual observance of this day.

Yours faithfully,

HERBERT HOOVER

[Mr. George William Brown, General Secretary, American Bible Society, Bible House, Astor Place, New York City]

NOTE: The message was made public by the American Bible Society, sponsors of the annual observance of Universal Bible Sunday, which in 1932 came on December 4.

363

Rear Platform and Other Informal Remarks
in Maryland, Delaware, Pennsylvania, and New Jersey.
October 31, 1932

[1.] BALTIMORE, MARYLAND (Mount Royal Railroad Station, 11:30 a.m.)

My friends in Baltimore:

It is always difficult for me to formulate the expression of appreciation that I feel for so heartening a greeting and so courteous and generous a reception as you have given me this morning. I do feel that it is an indication of the action which the State of Maryland will take on the 8th day of November.

It has been my opportunity and pleasure during the past years of public service to visit practically every part of the State of Maryland. I have visited it particularly in search of those landmarks in the history of our whole country from the days of the first landings on our coast, in which this State is so rich. I deem it an honor to have had a great-grandfather who lived for the span of a generation at Union Bridge in Frederick County of this State. Every imprint of the development of American national life is to be found in the State of Maryland.

Because the time is short on this occasion, I must limit myself to a statement of a few of the wide differences of policies which have developed between the Republican and the Democratic Parties during this campaign. With the important concern you of this city have in the issues in this campaign there is no better place to point out the effect which the course you may choose on the 8th of November will have upon the future of your own welfare.

A few days ago in this city the Democratic candidate made a statement in respect to the Supreme Court which must be the negation of the sentiment, the feeling, and the resolution of the people of the State that produced Chief Justice Taney¹ and other honored members who have helped to make the long history of the Supreme Court of the United States. While the Constitution was actually brought into being

¹ Roger Brooke Taney served as Chief Justice from 1836 to 1864.

in a neighboring State, yet every schoolchild in Maryland knows that it was the preliminary meeting at Annapolis from which the Constitution was born. And every student of history knows, and every person in the modern world knows, that Maryland has maintained a peculiar fidelity to the Constitution, and that it surely would not be the will of the people of Maryland that the independence of this great tribunal shall be undermined or brought into question for political party purposes, whether they be Democratic or Republican. It is the genius of our form of government that the independence of the Supreme Court stands unique in all the governments of the world and is the strongest bulwark of the permanence of our democracy.

Of other matters for which Maryland has always stood constantly from her beginning, I might mention the protective tariff. Lately at Cumberland, I recalled that the first petition lodged with the Congress which had just convened under the Constitution was a petition signed by merchants and manufacturers and the workers, chiefly of the city of Baltimore, requesting a protective tariff in order that they might have industrial freedom as well as political freedom from Europe. That was the first petition acted upon by the Congress of the United States. Thus the first piece of legislation signed by George Washington as President under the newly formulated Constitution was a protective tariff measure passed in response to a petition from the State of Maryland. From that day to this your varied industries have grown and thrived under protective tariffs. They have wilted and shriveled whenever that tariff has been lowered or when those protections have been abandoned. The livelihood of your workmen are peculiarly dependent upon it. Your agriculture is in particular danger from lowering of these tariffs because you are situated close to the seaboard and close to the point of attack of foreign imports. At this precise moment there is scarcely an agricultural or industrial product in your State that could not, under the depreciated currencies of Europe and South America, be brought to your doors at from 25 to 40 percent below the prices you at present realize, depressed as they may be. The taking off of that tariff must mean a lowering of wages and a lowering of standards of living in the State of Maryland.

The Democratic Party proposed to reduce this tariff. It proposes not only to reduce it generally, but it proposes to negotiate reciprocal tariffs, which can mean but one thing and that is to negotiate away the tariffs in favor of the import of some variety of goods. That is the reason why Maryland, except on a few occasions during the last 40 years has been Republican in national elections and has realized that the fundamental interest of the State lay with the party which has stood staunchly for the protective tariff ever since that party was born. There has never been an hour when it was more necessary that Maryland maintain that vigilant attitude as to the tariff as the one which now threatens us.

Another of the policies upon which the State of Maryland has stood staunchly since the beginning is a sound and stable currency. This is an added reason why the State of Maryland has so often supported the Republican Party in national elections. It is because it has been the party of sound and stable money. We have had within the last 5 months the passage of an act of Congress by a Democratic House of Representatives to issue \$2,300 million of greenback currency—one of the most glaring attempts to violate the stability and sacred character of currency of a people that we have seen in our country since the days of the Civil War when it was issued only in complete desperation and paid for by a price of a thousand sufferings in the years which followed. The Vice-Presidential candidate in this campaign fathered this measure, and the Democratic candidate or any other speaker in this campaign has not seen fit to disavow it.

In view of the attitude which the State of Maryland has always taken in the support of stable currency, I should like to repeat to you the most prophetic statement of an American statesman—Daniel Webster. One hundred years ago, he said:

“He who tampers with the currency robs labor of its bread. He panders, indeed, to greedy capital, which is keen-sighted and may shift for itself, but he beggars labor, which is unsuspecting and too busy with the present to calculate for the future. The prosperity of the workpeople lives, moves and has its being in established credit and steady medium of payment.”

This has been a State given to economy in public expenditure, and yet this last session of the Democratic House of Representatives passed measures calling for an expenditure of 3½ billion, or an increase in Federal expenditures by over 80 percent in the face of the tremendous difficulties of our taxpayers and of the Federal Treasury. These efforts were stopped, but the House refused to accept recommendations of the administration for decreases in expenditure. It forced increased expenditure upon the Government. It is not now the party of economy in conduct of public affairs.

The Republican Party stands today as the safeguard against a series of measures which would drive this country from the foundations which 150 years of constructive building by our own fathers has wrought. In a peculiar way the State of Maryland has stood for the maintenance of these traditions, for the upholding of progress based upon these views; it has never departed from them. Both the interest and the sentiment of this State can find its satisfaction and its expression alone in a national Republican administration.

[2.] NEWARK, DELAWARE (Rear platform, 1:10 p.m.)

I deeply appreciate such a greeting as you have given to me. It is most encouraging, and it is heartening. And it is an indication of how you are going to act on the 8th of November.

I have one thing in common with many of you in this audience, and that is that I have lived all my life and made my home in a college town. I have lived with a college and helped to nurture that college, and I have appreciation of the problems not only of colleges but of students.

I have been very much interested in the past few days to have been sent a poll of the students of a large number of the colleges in the United States, showing that they are overwhelmingly for the support of the Republican ticket. That is because our institutions are pledged to the upbuilding of the United States upon its historical foundations and not for tearing down those foundations in order to win elections.

Now, I appreciate your coming and the greeting you have given to me, and I can only add thanks to you.

[3.] WILMINGTON, DELAWARE (Rear platform, 1:30 p.m.)

My friends:

It is difficult to find words to express the appreciation that I feel and the gratitude that I feel for so courteous and so enthusiastic a reception. It is a fine augury of what Delaware will do on the 8th of November.

This is not an occasion on which one can discuss national issues at such length as you deserve. I am speaking in New York tonight. Through the magic of the radio many of you will be able to listen in, and I hope you will like what I shall say.

We have been passing through a great crisis during this last 3 years. The major part of our difficulties has come upon us from abroad. They were not the doing of the American people. We have set up for the American people, by a Republican administration, great protective measures which have saved this country from 20 years of chaos and destruction which otherwise would have ensued, and we have now turned those measures towards recovery. We have carried the first trenches in that great battle.

The indications of the gradual improvement of the country are coming in from all sides. This morning I am informed that our Government agencies state that over a million men have returned to work since the adjournment of the Democratic House of Congress. If that battle can go on without change of strategy and without change of policy and without halting, this country will recover its employment and will recover in its agriculture.

Now, there is one of our Republican policies which is of the most vital importance to the people of Delaware, and that is the maintenance of the protective tariff. Our Democratic opponents propose to reduce that tariff, and they propose to reduce it in the face of the fact that during the last 14 months the collapse of foreign nations abroad brought about an enormous depreciation in their currency and a tremendous reduction in their wages and standards of living, to a point where the difference between the purchasing power of American wages and those of our competitors have been enormously widened. The real problem before the American people today is not the reduction of the tariff

but to reconsider whether our tariff is high enough at this moment to protect you in your employment and in your living. Our Democratic opponents have proposed some measures in respect to this emergency. One of them is a proposal to inflate the currency of the United States by issuing unconvertible greenback money. That idea is not new in the Democratic Party every time the Nation falls into distress. The Republican Party has had to meet it before, and it has had to meet it in this election and in the last session of Congress.

I would like to be able to take the time to explain to you what inflation—the issuance of paper money—means to the man who works at the bench and who works in the field. It is a subtle destruction of his living. It serves no one except the greedy. It is one of the most vital things before the American people at this moment. A sound currency and a stable currency is the very beginning and the very end of sustained wages and sustained prices.

Now, I could go on with a number of our other issues, but I will not take your time. I can assure you that the Republican Party stands for the maintenance of these great principles of a protective tariff. It stands for sane and rigid economy in government. It stands for sound currency. It stands for stability in the finance of the Federal Government. It stands for measures that will care for distress pending the working out of these gigantic instrumentalities which we have established for the restoration of the country. I cannot find that our Democratic opponents have been able to meet these issues fairly and frankly.

Thank you.

[4.] CHESTER, PENNSYLVANIA (Rear platform, 1:52 p.m.)

My friends:

I deeply appreciate your greeting this morning. Some of you, I am told, have come a long distance. You must rise early in this part of the United States because I get up at 6 o'clock, and some of you must have gotten up before that. Your greeting this morning is encouraging. It is sustaining in a great right. It is an indication of where the State of Pennsylvania is going to be on the 8th day of November.

This is not an occasion when one can discuss at any length or with any adequacy our greater national issues. I am speaking tonight in New York. Through the magic of the radio many of you will be able to listen in, and I hope you will be interested.

There is one matter which is of importance in every manufacturing city of the United States, and that is the maintenance of the protective tariff. Our opponents are proposing to reduce that tariff to a competitive basis. I recently had a survey made as to the purchasing power of wages in the countries with which you have to compete. We reduced it to a common denominator of bread and butter, and we found that there was no country at the present moment where the rate of wages in that country would buy more than one-third of the amount of bread and butter that could be bought in Pennsylvania from your wages. And that has been due to a large extent to the reductions, the discounts, and the depreciation in currencies that have taken place by the collapse of the financial systems of those governments during the past 18 months. The problem is not so much the reduction of the tariff today as it is not only the maintenance of it but an inquiry into whether or not the tariff in the face of these depreciated currencies is adequately protecting you. That is a matter which the Republican Party is confronting and a problem which the Democratic Party is concerned with as to how much they don't say about the reduction of the tariff and still obtain your votes.

I want to express my appreciation to you for coming to this station, for the tremendous greeting which you have given to me on entering the State of Pennsylvania. None of us have any doubt about the action of this State. It has been the staunch supporter of the Republican Party from the very day it was born, and I have no lack of confidence as to its continuance.

I thank you.

[5.] PHILADELPHIA, PENNSYLVANIA (City Hall, 2:30 p.m.)

My friends:

It is hard for me to find words of appreciation for such a greeting and such a reception as you are giving me at this moment.

I have a great deal of pleasure in coming into the great Commonwealth founded by William Penn, and to the city laid out and established by him as the seat of its government. If public business had permitted, I should have been particularly pleased to have accepted the invitation to be here last week to participate in the celebration of the 250th anniversary of the memorable day on which he first set foot on this soil. His noble contribution to civil and religious liberty is without parallel in the histories of the world.

In the certainty and the amplitude of the international political philosophy of his "Essay Toward the Present and Future Peace of Europe," he was two centuries ahead of his time. How appropriate to his theories of government, as he applied them in practice, are the words of the Liberty Bell, first put in place in the statehouse tower 179 years ago, "Proclaim liberty throughout all the land, to all the inhabitants thereof." I could have participated in that celebration with personal sentiment because it was his faith and the proclamation of his principles of liberty that led my first American ancestor to land in this city just 46 years after Penn first established this Commonwealth.

I also have pleasure in coming today because your kind invitation stated that I should not be expected to make a political speech. I expressed my genuine appreciation of that gracious and generous condition and interpreted it, as your committee states that it should be interpreted, that the great majority of the voters of this Commonwealth were determined that her electoral votes should be cast for the Republican ticket.

Your city shares with the Nation her great historic heritage, long the scene of the proprietary government of Pennsylvania; the meeting place of the early Continental Congress where the Declaration of Independence was signed and given to the world; where the Constitution was framed; the early seat of the National Government. Very properly have such events made Philadelphia a shrine of American freedom.

If there were time, I might at this point remind you at some length that it was in this city, on June 17, 1856, on the anniversary of the Battle of Bunker Hill, that the first Republican National Convention

met. It is a privilege to have contact with the earliest springs of American traditions and strong spiritual fortresses of American institutions at a time when those traditions and institutions are boldly threatened. But I must pass on.

I know that the fame and the greatness of this city and of this Commonwealth depend not alone on their early history. The people of this State were pioneers in the construction and development of systems of transportation by canal and by rail; over these the products of her abundant natural resources reached the markets. A great industrial commonwealth inevitably resulted. It is to be noted, too, that this growth has been continuous and the progress steady. So long as the destinies of government, of society, and of industry in this Commonwealth remain in the control and management of high character, as in the past, her historic bell will indeed proclaim liberty throughout the world.

[6.] TRENTON, NEW JERSEY (Rear platform, 3:33 p.m.)

My friends:

I deeply appreciate the courtesy and the generosity of your greeting. It is encouraging, and it is an indication of what New Jersey intends to do on November 8.

These short stops give too little opportunity to discuss our national issues. I am speaking in New York tonight. With the magic of the radio, I hope you will be able to listen on that occasion.

Now, there is one issue that I would like to impress on you. You are a great pottery city, and today the depreciation in foreign currencies is such that the protection given to your potteries by the Republican Party is in jeopardy, and yet our Democratic opponents propose to reduce that tariff in the face of that jeopardy. We are having an inquiry and an examination as to prices by the Tariff Commission to see whether or not relief can be given to you. But if on November 8 a party is to come in power which is to reduce your tariff, it is a reduction of your wages and your standard of living, and it may as well be stated in those plain terms.

During the last 3 years, our Nation has been involved in a great crisis. The larger part of that crisis has flowed over our borders from abroad. We have met it with courage. Our people have met it with fortitude. The Republican administration has initiated such measures as have saved our country from infinite chaos.

I am informed by the Government agencies this morning that since the adjournment of the Democratic House of Representatives there has been an increase of nearly a million of men taken into employment in the United States. It is important to you to consider whether or not you shall continue those measures and those policies or whether you will have this battle halted in its midst by a delay of at least 4 months while its command is reformulated, a delay of a year while a new session of Congress is called for the purpose of reconstructing the policies which are to guide this Nation towards recovery.

I thank you.

NOTE: The President was en route to New York City where he was scheduled to make a major campaign address. Times provided for the President's remarks are approximations based on his itinerary.

364

Address in Newark, New Jersey.

October 31, 1932

My dear friends in Newark:

I well remember the reception which you gave to me 4 years ago, and no man has the eloquence or could find words sufficient to express appreciation of this reception from my friends in this city. It is heartening. It is encouraging, and it is evidence of the support which Newark will give on the 8th day of November.

I could not wish to pass so near the home of my great friend, former Senator Dwight Morrow of this State, without paying a tribute to his memory. The loss to the Nation of his single-minded, farseeing statesmanship, at the very hour when new emergencies disturbed the coun-

try, was one of the severest losses that could have come to our Nation. He was my great friend. His death was a personal loss to me as a friend, and a greater loss to me in my public duties because of his rare talent and his unique ability to find that common ground for action through which we must find national solutions. His service as Ambassador to Mexico, his splendid development of friendly relations with our sister republic to the south, his part in the Naval Conference, and above all his distinguished service in the Senate, to which you honored him, gave assurance of a most important contribution to American life. Senator Morrow was an unusual man. With a mind of intensity and clarity quite unique, a restless energy for service, and a simple directness in his search for truth which he never feared to express, he gained the confidence of his fellow men throughout the world to a degree seldom equaled by any individual. He set an example of high character to all in private and public life. Perhaps nothing that he did was as important to his country as what he was.

I have but a few moments to be with you. I am making an extended address at New York in a few hours which through the magic of the radio will be available to many of you. This meeting presents an opportunity, however, in which to emphasize one or two of the most fundamental things that face our country and the State of New Jersey to a unique degree. Our opponents have stated that they will call a special session of the Congress. They have stated that they will, perhaps, reduce the tariffs. There is no State in the Union, the maintenance of the welfare of whose workers, farmers, and manufacturers is more dependent upon the continuance of the Republican protective tariff than is the State of New Jersey. The Democratic platform, candidates, and speakers assert that they wish to reduce it to a competitive basis for revenue.

It happens that in this city 4 years ago, I spoke on this very question. At that time I presented to you a table, using as common denominator the amount of bread and butter which could be purchased in each of the principal countries by the wages of different groups of workers. I have had those countries resurveyed, that I might have this table repre-

pared to present to you. I will hand these two tables to the press of your city. If you will study them, you will find that the differences between your standard of living today and those of foreign countries have been more greatly widened than they were 4 years ago. That additional widening has been due largely to the depreciation of currencies of foreign countries by the collapse of one nation after another during the past 18 months. It raises an entirely new problem in the maintenance of the protective tariff. You will find if you inspect these tables that whereas 4 years ago the weekly wages of the workers of different groups were equal to purchase an amount of that useful mixture of bread and butter—in the country which most nearly approached us—they were able to purchase rather more than one-half as much as could be purchased at your rate of wages. You will find that that has diminished to less than one-third of what you can purchase, and that in some countries they can purchase only one-eighth of the amount which you can purchase from your weekly wage.

Thus, we face a new problem in your protection brought upon us by the collapse of foreign countries with which we have had nothing to do. And yet the Democratic Party proposes, in the face of this, to reduce your tariff protection, and the Democratic candidate has pledged himself to a special session of Congress in which through him this pledge will be introduced, and through which, if the Government is entrusted to them, beginning with the 8th day of November the whole business fabric of your community must stagnate until that question is determined. They further propose to call an international convention in which tariffs are to be lowered by international action which must take the nature of trading. In other words, the determination of your future and that of our other States is to be participated in by nations whose only ambition is to secure our market. Again there must be a prolonged disturbance to business and to progress. Further than this, they propose reciprocal tariffs. Reciprocal tariff can mean only one thing, and that is that the tariffs on certain industrial products from certain localities must be lowered in exchange for some hypothetical value to some other community. In other words, the question

of the fate of your community is to be held in the balance. That threatens continuous revision and a continuous disturbance.

On the other hand, we have builded up an authority in the bipartisan Tariff Commission, whose obligation is to examine the tariffs on different articles and different schedules from time to time to see whether there is maintained a proper margin between the cost of production at home and abroad. They propose to destroy this agency and transfer the determination of tariffs to logrolling and vicious greed which exhibits itself always in action in the Halls of Congress. Today, that Commission is reexamining the protective duties to determine whether we can offer relief to your pottery and other industries.

And I would call your attention to another matter of vast importance to all of you. We have passed, in the last 3 years, through a national crisis greater in its effect than many of the wars in which we have been involved. That crisis arose out of the inability of European nations to longer stand the ravages and the undermining of the aftermath of the Great War. The Republican administration has built up a series of unprecedented measures through which we have warded off disaster and chaos which would have spread to our country. We have turned these agencies to the problem of reconstruction and recovery.

During the past few months, since the adjournment of the Democratic House of Representatives and their destructive action, we have begun to see positive and practical results through the return of men to work, through the increase of prices, through increased car loadings, and in many other fundamental indications of recovery in our national life. We are in the midst of a great economic battle. We have carried the firstline trenches. Any hesitation, any halting of the battle for changes of policies cannot do otherwise than to stagnate progress and bring disaster to the fireside of every home in this State, indeed in this country.

There are many other subjects which I could discuss with you if time permitted, that are of equal importance to you. I will mention only one more, and that is the proposal of the Democratic Party which has always been their proposal in time of economic disturbance, and

that is to tinker with the currency. They passed a bill in the last session of the Congress to issue \$2,300 million of unconvertible paper currency, which is the old greenback come again. They threatened to do this despite all the lessons of history in the earlier years in this country and abroad in recent years. Anyone who wishes to know what the effect of such action can be upon the welfare of every man and woman in this country have only to ask what the experience has been in the European countries that have tried this experiment since the Great War. More particularly, you are asked to inquire of your friends who are familiar with the results of it in Germany.

The Republican Party has had over all these years to fight staunchly for the protective tariff, the maintenance of the stability of our currency, the soundness of Federal credit, true economy in Government, to hold for the independence of our institutions, to insist that the future of the United States can be built up on the experience and foundations laid by our forefathers over 150 years.

The commercial and industrial history of this city has been built upon the attributes of the Republican Party—the protective tariff, sound money, maintenance of governmental credit, the conduct of government with sane economy. And above all to sustain the principles under which this country has grown to the greatest Nation in the world. We propose to maintain and advance that development, of which you are so justly proud. Whether it shall be maintained and advanced depends upon the votes you will cast a week from tomorrow.

NOTE: The President spoke to an audience of 6,000 people assembled in the Mosque Theatre.

In conjunction with the address, White House aides made available the "Bread and Butter Memorandum," which follows:

The President, speaking at Newark, N.J., September 17, 1928, said:

"Our real wages and our standards of living are the highest in the world. And I am again speaking of the real buying power of wages. To compare ours with foreign wages we must find a common denominator, because translation of foreign currencies means but little. If we say that 5 percent of butter and 95 percent of flour form the basis of that useful mixture called 'bread and butter,' then the weekly earnings in each country would buy at retail in those countries the following total of this useful compound. Please note these figures carefully.

"WEEKLY WAGES IF APPLIED TO THE PURCHASE OF 'COMPOSITE POUNDS OF BREAD AND BUTTER' "
(Each pound 95 percent wheat flour and 5 percent butter)

	<i>Railway Engineers</i>	<i>Carpen- ters</i>	<i>Elec- tricians</i>	<i>Coal Miners</i>	<i>Weavers</i>	<i>Day Labor</i>
United States.....	717	731	778	558	323	259
United Kingdom.....	367	262	267	267	136	160
Germany.....	217	173	158	133	106	112
France.....	269	94	123	136	73	68
Belgium.....	150	96	76	94	94	65
Italy.....	166	151	152	95	75	110
Sweden.....	261	256	224	180	155	162
Japan.....	164	125	96	60	83	65

"Of course the American employee does not use his higher income to buy unnecessary pounds of bread and butter. He uses it to diversify and expand his consumption of all things."

Speaking at Cleveland, Ohio, October 15, 1932, the President said:

"In order to show you what the rates of wages are in the United States compared with other countries I have this week secured through the Department of Commerce a calculation on a basis which I have used before for purposes of illustration. The actual wages in terms of the currencies of other countries are difficult to compare. We must find a common denominator.

"If we say that 5 percent of butter and 95 percent of flour form the basis of that useful mixture called 'bread and butter', then the weekly earnings in each country would buy at retail in those weekly wages if applied to the purchase of 'composite pounds of bread and butter' as of October, 1932.

	<i>Railway Engineers</i>	<i>Carpen- ters</i>	<i>Elec- tricians</i>	<i>Coal Miners</i>	<i>Weavers</i>	<i>Day Labor</i>
United States.....	1,069	1,064	1,300	734	565	393
United Kingdom.....	342	253	276	223	161	184
Germany.....	271	176	169	162	120	106
France.....	246	183	164	123	86	86
Belgium.....	288	228	240	180	199	160
Italy.....	275	118	149	70	67	85
Japan.....	131	86	90	57	31	55

"Let no man say it could not be worse."

365

Remarks to a Group of Disabled War Veterans.

October 31, 1932

I APPRECIATE your coming here and your greeting me in this way. I saw the last war. I know the sacrifice the men here made who went to the World War. The men who were disabled have owing to them a larger consideration than is payable by money. The day will never come when this country is too poor or too niggardly to take care of the men who were disabled in the war. I am sure no American has ever denied the duty of caring for men disabled in battle. That is the first charge—a charge not alone on our money but on our sympathy.

NOTE: The President spoke at approximately 7 p.m. to the group assembled in the roof garden of the Waldorf-Astoria Hotel in New York City.

366

Address at Madison Square Garden in New York City.

October 31, 1932

My fellow citizens:

No man has ever had a more gracious introduction from a more noble woman than Mrs. Theodore Roosevelt.

This campaign is more than a contest between two men. It is more than a contest between two parties. It is a contest between two philosophies of government.

We are told by the opposition that we must have a change, that we must have a new deal. It is not the change that comes from normal development of national life to which I object or you object, but the proposal to alter the whole foundations of our national life which have been builded through generations of testing and struggle, and of the principles upon which we have made this Nation. The expressions of our opponents must refer to important changes in our economic and social system and our system of government; otherwise they would be nothing but vacuous words. And I realize that in this time of dis-

truss many of our people are asking whether our social and economic system is incapable of that great primary function of providing security and comfort of life to all of the firesides of 25 million homes in America, whether our social system provides for the fundamental development and progress of our people, and whether our form of government is capable of originating and sustaining that security and progress.

This question is the basis upon which our opponents are appealing to the people in their fear and their distress. They are proposing changes and so-called new deals which would destroy the very foundations of the American system of life.

Our people should consider the primary facts before they come to the judgment—not merely through political agitation, the glitter of promise, and the discouragement of temporary hardships—whether they will support changes which radically affect the whole system which has been builded during these six generations of the toil of our fathers. They should not approach the question in the despair with which our opponents would clothe it.

Our economic system has received abnormal shocks during the last 3 years which have temporarily dislocated its normal functioning. These shocks have in a large sense come from without our borders, and I say to you that our system of government has enabled us to take such strong action as to prevent the disaster which would otherwise have come to this Nation. It has enabled us further to develop measures and programs which are now demonstrating their ability to bring about restoration and progress.

We must go deeper than platitudes and emotional appeals of the public platform in the campaign if we will penetrate to the full significance of the changes which our opponents are attempting to float upon the wave of distress and discontent from the difficulties through which we have passed. We can find what our opponents would do after searching the record of their appeals to discontent, to group and sectional interest. To find that, we must search for them in the legislative acts which they sponsored and passed in the Democratic-controlled House of Representatives in the last session of Congress. We must look into both the measures for which they voted and in which they were

defeated. We must inquire whether or not the Presidential and Vice-Presidential candidates have disavowed those acts. If they have not, we must conclude that they form a portion and are a substantial indication of the profound changes in the new deal which is proposed.

And we must look still further than this as to what revolutionary changes have been proposed by the candidates themselves.

We must look into the type of leaders who are campaigning for the Democratic ticket, whose philosophies have been well known all their lives and whose demands for a change in the American system are frank and forceful. I can respect the sincerity of these men in their desire to change our form of government and our social and our economic system, though I shall do my best tonight to prove they are wrong. I refer particularly to Senator Norris, Senator La Follette, Senator Cutting, Senator Huey Long, Senator Wheeler, William Randolph Hearst, and other exponents of a social philosophy different from the traditional philosophies of the American people. Unless these men have felt assurance of support to their ideas they certainly would not be supporting these candidates and the Democratic Party. The zeal of these men indicates that they must have some sure confidence that they will have a voice in the administration of this Government.

I may say at once that the changes proposed from all these Democratic principals and their allies are of the most profound and penetrating character. If they are brought about, this will not be the America which we have known in the past.

Now, I may pause for a moment and examine the American system of government and of social and economic life which it is now proposed that we should alter. Our system is the product of our race and of our experience in building a Nation to heights unparalleled in the whole history of the world. It is a system peculiar to the American people. It differs essentially from all others in the world. It is an American system. It is founded on the conception that only through ordered liberty, through freedom to the individual, and equal opportunity to the individual will his initiative and enterprise be summoned to spur the march of national progress.

It is by the maintenance of an equality of opportunity and therefore

of a society absolutely fluid in the movement of its human particles that our individualism departs from the individualism of Europe. We resent class distinction because there can be no rise for the individual through the frozen strata of classes, and no stratification of classes can take place in a mass that is livened by the free rise of its human particles. Thus in our ideals the able and ambitious are able to rise constantly from the bottom to leadership in the community. We denounce any attempt to stir class feeling or class antagonisms in the United States.

This freedom of the individual creates of itself the necessity and the cheerful willingness of men to act cooperatively in a thousand ways and for every purpose as the occasion requires, and it permits such voluntary cooperations to be dissolved as soon as it has served its purpose and to be replaced by new voluntary associations for new purposes.

There has thus grown within us, to gigantic importance, a new conception. That is the conception of voluntary cooperation within the community; cooperation to perfect the social organizations; cooperation for the care of those in distress; cooperation for the advancement of knowledge, of scientific research, of education; cooperative action in a thousand directions for the advancement of economic life. This is self-government by the people outside of the Government. It is the most powerful development of individual freedom and equality of opportunity that has taken place in the century and a half since our fundamental institutions were founded.

It is in the further development of this cooperation and in a sense of its responsibility that we should find solution for many of the complex problems, and not by the extension of the Government into our economic and social life. The greatest function a government can perform is to build up that cooperation, and its most resolute action should be to deny the extension of bureaucracy. We have developed great agencies of cooperation by the assistance of the Government which do promote and protect the interests of individuals and the smaller units of business: the Federal Reserve System, in its strengthening and support of the smaller banks; the Farm Board, in its strengthening and support of the farm cooperatives; the home loan banks, in the mobilizing of building and loan associations and savings banks; the Federal land banks, in

giving independence and strength to land mortgage associations; the great mobilization of relief to distress, the mobilization of business and industry in measures of recovery from this depression, and a score of other activities that are not socialism, and they are not the Government in business. They are the essence of protection to the development of free men. I wish to explore this point a little further. The primary conception of this whole American system is not the ordering of men but the cooperation of free men. It is founded upon the conception of responsibility of the individual to the community, of the responsibility of local government to the State, of the State to the National Government.

I am exploring these questions because I propose to take up definite proposals of the opposition and test them with these realities in a few moments.

Now, our American system is founded on a peculiar conception of self-government designed to maintain an equality of opportunity to the individual, and through decentralization it brings about and maintains these responsibilities. The centralization of government will undermine these responsibilities and will destroy the system itself.

Our Government differs from all previous conceptions, not only in the decentralization but also in the independence of the judicial arm of the Government.

Our Government is founded on a conception that in times of great emergency, when forces are running beyond the control of individuals or cooperative action, beyond the control of local communities or the States, then the great reserve powers of the Federal Government should be brought into action to protect the people. But when these forces have ceased there must be a return to State, local, and individual responsibility.

The implacable march of scientific discovery with its train of new inventions presents every year new problems to government and new problems to the social order. Questions often arise whether, in the face of the growth of these new and gigantic tools, democracy can remain master in its own house and can preserve the fundamentals of our American system. I contend that it can, and I contend that this American system of our has demonstrated its validity and superiority over

any system yet invented by human mind. It has demonstrated it in the face of the greatest test of peacetime history—that is the emergency which we have passed in the last 3 years.

When the political and economic weakness of many nations of Europe, the result of the World War and its aftermath, finally culminated in the collapse of their institutions, the delicate adjustments of our economic and social and governmental life received a shock unparalleled in our history. No one knows that better than you of New York. No one knows its causes better than you. That the crisis was so great that many of the leading banks sought directly or indirectly to convert their assets into gold or its equivalent with the result that they practically ceased to function as credit institutions is known to you; that many of our citizens sought flight for their capital to other countries; that many of them attempted to hoard gold in large amounts you know. These were but superficial indications of the flight of confidence and the belief that our Government could not overcome these forces.

Yet these forces were overcome—perhaps by narrow margins—and this demonstrates that our form of government has the capacity. It demonstrates what the courage of a nation can accomplish under the resolute leadership of the Republican Party. And I say the Republican Party because our opponents, before and during the crisis, proposed no constructive program, though some of their members patriotically supported ours for which they deserve on every occasion the applause of patriotism. Later on in the critical period, the Democratic House of Representatives did develop the real thought and ideas of the Democratic Party. They were so destructive that they had to be defeated. They did delay the healing of our wounds for months.

Now, in spite of all these obstructions we did succeed. Our form of government did prove itself equal to the task. We saved this Nation from a generation of chaos and degeneration; we preserved the savings, the insurance policies, gave a fighting chance to men to hold their homes. We saved the integrity of our Government and the honesty of the American dollar. And we installed measures which today are bringing back recovery. Employment, agriculture, and business—all of these show the steady, if slow, healing of an enormous wound.

As I left Washington, our Government departments communicated to me the fact that the October statistics on employment show that since the 1st day of July, the men returned to work in the United States exceed 1 million.

I therefore contend that the problem of today is to continue these measures and policies to restore the American system to its normal functioning, to repair the wounds it has received, to correct the weaknesses and evils which would defeat that system. To enter upon a series of deep changes now, to embark upon this inchoate new deal which has been propounded in this campaign would not only undermine and destroy our American system but it will delay for months and years the possibility of recovery.

We have carried the firstline of trenches in a great national battle. It is of little difference who the commander in chief may be if the strategy and the policies and the subordinate captains and majors and colonels and generals are maintained and if the battle be continued. But that battle cannot be continued under our political system with a 4-month lapse between the election and the inauguration and a 12-month lapse thereafter while new strategies and new policies are being determined, no matter how admirable they may be.

Now, to go back to my major thesis—the thesis of the longer view. Before we enter into courses of deep-seated change and of the new deal, I would like you to consider what the results of this American system have been during the last 30 years—that is, a single generation. For if it can be demonstrated that by this means, our unequalled political, social, and economic system, we have secured a lift in the standards of living and the diffusion of comfort and hope to men and women, the growth of equality of opportunity, the widening of all opportunity such as had never been seen in the history of the world, then we should not tamper with it and destroy it, but on the contrary we should restore it and, by its gradual improvement and perfection, foster it into new performance for our country and for our children.

Now, if we look back over the last generation we find that the number of our families and, therefore, our homes, has increased from about 16 to about 25 million, or 62 percent. In that time we have builded for them

15 million new and better homes. We have equipped 20 million out of these 25 million homes with electricity; thereby we have lifted infinite drudgery from women and men. The barriers of time and space have been swept away in this single generation. Life has been made freer, the intellectual vision of every individual has been expanded by the installation of 20 million telephones, 12 million radios, and the service of 20 million automobiles. Our cities have been made magnificent with beautiful buildings, parks, and playgrounds. Our countryside has been knit together with splendid roads. We have increased by 12 times the use of electrical power and thereby taken sweat from the backs of men. In the broad sweep real wages and purchasing power of men and women have steadily increased. New comforts have steadily come to them. The hours of labor have decreased, the 12-hour day has disappeared, even the 9-hour day has almost gone. We are now advocating the 5-day week. During this generation the portals of opportunity to our children have ever widened. While our population grew by but 62 percent, yet we have increased the number of children in high schools by 700 percent, and those in institutions of higher learning by 300 percent. With all our spending, we multiplied by six times the savings in our banks and in our building and loan associations. We multiplied by 1,200 percent the amount of our life insurance. With the enlargement of our leisure we have come to a fuller life; we have gained new visions of hope; we are more nearly realizing our national aspirations and giving increased scope to the creative power of every individual and expansion of every man's mind.

Now, our people in these 30 years have grown in the sense of social responsibility. There is profound progress in the relation of the employer to the employed. We have more nearly met with a full hand the most sacred obligation of man, that is, the responsibility of a man to his neighbor. Support to our schools, hospitals, and institutions for the care of the afflicted surpassed in totals by billions the proportionate service in any period in any nation in the history of the world.

Now, 3 years ago there came a break in this progress. A break of the same type we have met 15 times in a century and yet have recovered from. But 18 months later came a further blow by the shocks trans-

mitted to us from earthquakes of the collapse of nations throughout the world as the aftermath of the World War. The workings of this system of ours were dislocated. Businessmen and farmers suffered, and millions of men and women are out of jobs. Their distress is bitter. I do not seek to minimize it, but we may thank God that in view of the storm that we have met that 30 million still have jobs, and yet this does not distract our thoughts from the suffering of the 10 million.

But I ask you what has happened. This 30 years of incomparable improvement in the scale of living, of advance of comfort and intellectual life, of security, of inspiration, and ideals did not arise without right principles animating the American system which produced them. Shall that system be discarded because vote-seeking men appeal to distress and say that the machinery is all wrong and that it must be abandoned or tampered with? Is it not more sensible to realize the simple fact that some extraordinary force has been thrown into the mechanism which has temporarily deranged its operation? Is it not wiser to believe that the difficulty is not with the principles upon which our American system is founded and designed through all these generations of inheritance? Should not our purpose be to restore the normal working of that system which has brought to us such immeasurable gifts, and not to destroy it?

Now, in order to indicate to you that the proposals of our opponents will endanger or destroy our system, I propose to analyze a few of them in their relation to these fundamentals which I have stated.

First: A proposal of our opponents that would break down the American system is the expansion of governmental expenditure by yielding to sectional and group raids on the Public Treasury. The extension of governmental expenditures beyond the minimum limit necessary to conduct the proper functions of the Government enslaves men to work for the Government. If we combine the whole governmental expenditures—national, State, and municipal—we will find that before the World War each citizen worked, theoretically, 25 days out of each year for the Government. In 1924, he worked 46 days out of the year for the Government. Today he works, theoretically, for the support of all forms of Government 61 days out of the year.

No nation can conscript its citizens for this proportion of men's and women's time without national impoverishment and without the destruction of their liberties. Our Nation cannot do it without destruction to our whole conception of the American system. The Federal Government has been forced in this emergency to unusual expenditure, but in partial alleviation of these extraordinary and unusual expenditures the Republican administration has made a successful effort to reduce the ordinary running expenses of the Government.

Our opponents have persistently interfered with such policies. I only need recall to you that the Democratic House of Representatives passed bills in the last session that would have increased our expenditures by \$3½ billion, or 87 percent. Expressed in day's labor, this would have meant the conscription of 16 days' additional work from every citizen for the Government. That was stopped. Furthermore, they refused to accept recommendations from the administration in respect to 150 or 200 million of reductions in ordinary expenditures, and finally they forced upon us an increased expenditure of \$322 million. In spite of this, the ordinary expenses of the Government have been reduced upwards of \$200 million during the present administration. They will be decidedly further reduced. But the major point that I wish to make—the disheartening part of these proposals of our opponents—is that they represent the successful pressures of minorities. They would appeal to sectional and group political support and thereby impose terrific burdens upon every home in the country. These things can and must be resisted. But they can only be resisted if there shall be live and virile public support to a Republican administration. That support must be in opposition to the political logrolling and the sectional and group raids on the Treasury for distribution of public money, which is cardinal in the congeries of elements which make up the Democratic Party.

These expenditures proposed by the Democratic House of Representatives for the benefit of special groups and special sections of our country directly undermine the American system which I have described to you. Those who pay are, in the last analysis, the man who

works at the bench, the desk, and on the farm. They take away his comfort, stifle his leisure, and destroy his equality of opportunity.

Second: Another proposal of our opponents which would destroy the American system is that of inflation of the currency. The bill which passed the last session of the Democratic House called upon the Treasury of the United States to issue \$2,300 million in paper currency that would be unconvertible into solid values. Call it what you will, greenbacks or fiat money. It was the same nightmare which overhung our own country for years after the Civil War.

In our special situation today the issuance of greenbacks means the immediate departure of this country from the gold standard, as there could be no provision for the redemption of such currency into gold. The new currency must obviously go to immediate and constantly fluctuating discount when associated with currency convertible in gold.

The oldest law of currency is that bad money drives out the good, for a population—that is, every individual—will hoard good currency and endeavor to get rid of the bad. The invariable effect is the withdrawal of a vast sum of good currency from circulation, and at once the Government is forced to print more and more bad paper currency. No candidate and no speaker in this campaign has disavowed this action of the Democratic House of Representatives. In spite of this visible experience within the recollection of this generation, with all its pitiable results, fiat money is proposed by the Democratic Party as a potent measure for relief from this depression.

The use of this expedient by nations in difficulty since the war in Europe has been one of the most tragic disasters to equality of opportunity and the independence of man.

I quote from a revealing speech by Mr. Owen D. Young upon the return of the Dawes Commission from Europe. He stated:

“The currency of Germany was depreciating so rapidly that the industries paid their wages daily, and sometimes indeed twice a day. Standing with the lines of employees was another line of wives and mothers waiting for these marks. The wife grabbed the paper from her husband’s hand and rushed to the nearest provision store to spend it quickly before the rapid depreciation had cut its purchasing power in two.

"When the chairman of the syndicate of the German Trade Unions, Herr Grasseman, appeared before the Dawes Commission, I put to him this question: 'What can this committee do for German labor?'

"I expected the answer to be some one of the slogans of labor: An 8-hour day, old age or disability pensions—something of that kind. Much to my surprise the answer came promptly.

"'What your committee must do for German labor is to give us a stable currency. Do you know,' Herr Grasseman said, 'that for many months it has been impossible for a wage earner in Germany to perform even of his moral obligations?'

"'Knowing that a child was coming to the family at a certain time, there was no way by which the husband, through effort or sacrifice or savings, could guarantee his wife a doctor and a nurse when that event arrived. One, knowing that his mother was stricken with a fatal disease could not by any effort or sacrifice or saving be in a position to insure her a decent burial on her death.

"'Your committee must,' Herr Grasseman added, 'just as a basic human thing, assure us a stable currency and thereby insure to the worker that his wages will have the same purchasing power when he wants to spend them as they had when he earned them.'"

Now, I ask, is that a policy consonant with the American system? It has been proposed by the Democratic Party within 4 months and passed a Democratic House of Representatives. Is that the preservation of equality of opportunity and the protection of men by their government?

Third: In the last session of the Congress, under the personal leadership of the Democratic Vice-Presidential candidate, and their allies in the Senate, they enacted a law to extend the Government into personal banking business. I know it is always difficult to discuss banks. There seems to be much prejudice against some of them, but I was compelled to veto that bill out of fidelity to the whole American system of life and government. I may repeat a part of that veto message, and it remains unchallenged by any Democratic leader. I quote now from that veto message because that statement was not made in the heat of any political campaign. I said:

“It would mean loans against security for any conceivable purpose on any conceivable security to anybody who wants money. It would place the Government in private business in such fashion as to violate the very principle of public relations upon which we have builded our Nation, and renders insecure its very foundations. Such action would make the Reconstruction Corporation the greatest banking and money-lending institution of all history. It would constitute a gigantic centralization of banking and finance to which the American people have been properly opposed over a hundred years. The purpose of the expansion is no longer in the spirit of solving a great major emergency but to establish a privilege whether it serves a great national end or not.”

I further said:

“It would require the setting up of a huge bureaucracy, to establish branches in every county and town in the United States. Every political pressure would be assembled for particular persons. It would be within the power of these agencies to dictate the welfare of millions of people, to discriminate between competitive business at will, and to deal favor and disaster among them. The organization would be constantly subjected to conspiracies and raids of predatory interests, individuals, and private corporations. Huge losses and great scandals must inevitably result. It would mean the squandering of public credit to be ultimately borne by the taxpayer.”

I stated further that:

“This proposal violates every sound principle of public finance and of our Government. Never before has so dangerous a suggestion been made to our country. Never before has so much power for evil been placed at the unlimited discretion of seven individuals.”

They failed to pass this bill over my veto. But you must not be deceived. This is still in their purposes as a part of the new deal, and no responsible candidate has yet disavowed it.

Fourth: Another proposal of our opponents which would wholly alter our American system of life is to reduce the protective tariff to a competitive tariff for revenue. The protective tariff and its results upon our economic structure has become gradually embedded into our economic life since the first protective tariff act was passed by

the American Congress under the administration of George Washington. There have been gaps, at times of Democratic control, when this protection has been taken away or decreased. But whether you like it or not, it has been so embedded in our economic life and structure that its removal has never failed and never will fail to bring disaster. I can conceive a Nation builded without it, but we have been built with it. Whole towns, communities, and forms of agriculture with their homes, schools, and churches have been built up under this system of protection. The grass will grow in streets of a hundred cities, a thousand towns; the weeds will overrun the fields of millions of farms if that protection be taken away. Their churches, their hospitals, and their schoolhouses will decay.

Incidentally, another one of the proposals of our opponents which also would destroy equality of opportunity between both individuals and communities is their promise to repeal the independent authority of the bipartisan Tariff Commission and thereby return the determination of import duties to the old logrolling greed of group or sectional interest under congressional action in review of the tariff.

Fifth: Another proposal is that the Government go into the power business. Three years ago, in view of the extension of the use of transmission of power over State borders and the difficulties of State regulatory bodies in the face of this interstate action, I recommended to the Congress that such interstate power should be placed under regulation by the Federal Government in cooperation with the State authorities.

That recommendation was in accord with the principles of the Republican Party, over the past 50 years, to provide regulation where public interest had developed in tools of industry which was beyond control and regulation of the States.

I succeeded in creating an independent Power Commission to handle such matters, but the Democratic House declined to approve the further powers to this Commission necessary for such regulation, possibly in order that they might use it as a matter of agitation in this campaign.

I have stated unceasingly that I am opposed to the Federal Government going into the power business. I have insisted upon rigid regulation. The Democratic candidate has declared that under the same conditions which may make local action of this character desirable, he is prepared to put the Federal Government into the power business. He is being actively supported by a score of Senators in this campaign, many of whose expenses are being paid by the Democratic National Committee, who are pledged to Federal Government development and operation of electrical power.

I find in the instructions to the campaign speakers issued by the Democratic National Committee that they are instructed to criticize my action in the veto of the bill which would have put the Government permanently into the operation of power at Muscle Shoals with a capital from the Federal Treasury of over \$100 million. In fact, 31 Democratic Senators, being all except 3, voted to override that veto. In that bill was the flat issue of the Federal Government permanently in competitive business. I vetoed it because of principle and not because it was especially applied to electrical power. In that veto I stated that I was firmly opposed to the Federal Government entering into any business, the major purpose of which is competition with our citizens except in major national emergencies. In that veto message, written long before the emergence of the exigencies of political campaigning, I stated:

“There are national emergencies which require that the Government should temporarily enter the field of business but that they must be emergency actions and in matters where the cost of the project is secondary to much higher consideration. There are many localities where the Federal Government is justified in the construction of great dams and reservoirs, where navigation, flood control, reclamation, or stream regulation are of dominant importance, and where they are beyond the capacity or purpose of private or local government capital to construct. In these cases, power is often a byproduct and should be disposed of by contract or lease. But for the Federal Government to deliberately go out to build up and expand such an occasion to the major purpose of a power and manufacturing business is to break down the initiative and enterprise of the American people; it is destruction of equality of opportunity

among our people; it is the negation of the ideals upon which our civilization has been based.

“This bill raises one of the important issues confronting our people. That is squarely the issue of Federal Government ownership and operation of power and manufacturing business not as a minor byproduct but as a major purpose. Involved in this question is the agitation against the conduct of the power industry. The power problem is not to be solved by the Federal Government going into the power business, nor is it to be solved by the project in this bill. The remedy for abuses in the conduct of that industry lies in regulation and not by the Federal Government entering the business itself. I have recommended to the Congress on various occasions that action should be taken to establish Federal regulation of interstate power in cooperation with State authorities. This bill would launch the Federal Government on a policy of ownership of power utilities upon a basis of competition instead of by the proper Government function of regulation for the protection of all the people. I hesitate to contemplate the future of our institutions, of our Government, and of our country, if the preoccupation of its officials is to be no longer the promotion of justice and equality of opportunity but is to be devoted to barter in the markets. That is not liberalism; it is degeneration.”

From their utterances in this campaign and elsewhere, it appears to me that we are justified in the conclusion that our opponents propose to put Federal Government extensively into business.

Sixth: I may cite another instance of absolutely destructive proposals to our American system by our opponents, and I am talking about fundamentals and not superficialities.

Recently there was circulated through the unemployed in this city and other cities, a letter from the Democratic candidate in which he stated that he would support measures for the inauguration of self-liquidating public works such as the utilization of water resources, flood control, land reclamation, to provide employment for all surplus labor at all times.

I especially emphasize that promise to promote “employment for all surplus labor at all times”—by the Government. I at first could not believe that anyone would be so cruel as to hold out a hope so abso-

lutely impossible of realization to those 10 million who are unemployed and suffering. But the authenticity of that promise has been verified. And I protest against such frivolous promises being held out to a suffering people. It is easy to demonstrate that no such employment can be found. But the point that I wish to make here and now is the mental attitude and spirit of the Democratic Party that would lead them to attempt this or to make a promise to attempt it. That is another mark of the character of the new deal and the destructive changes which mean the total abandonment of every principle upon which this Government and this American system are founded. If it were possible to give this employment to 10 million people by the Government—at the expense of the rest of the people—it would cost upwards of \$9 billion a year.

The stages of this destruction would be first the destruction of Government credit, then the destruction of the value of Government securities, the destruction of every fiduciary trust in our country, insurance policies and all. It would pull down the employment of those who are still at work by the high taxes and the demoralization of credit upon which their employment is dependent. It would mean the pulling and hauling of politics for projects and measures, the favoring of localities and sections and groups. It would mean the growth of a fearful bureaucracy which, once established, could never be dislodged. If it were possible, it would mean one-third of the electorate would have Government jobs, earnest to maintain this bureaucracy and to control the political destinies of the country.

Incidentally, the Democratic candidate has said on several occasions that we must reduce surplus production of agricultural products, and yet he proposes to extend this production on a gigantic scale through expansion of reclamation and new agricultural areas under this plan to the obvious ruin of the farmer.

I have said before, and I want to repeat on this occasion, that the only method by which we can stop the suffering and unemployment is by returning our people to their normal jobs in their normal homes, carrying on their normal functions of living. This can be done only by sound processes of protecting and stimulating recovery of the exist-

ing system upon which we have builded our progress thus far—preventing distress and giving such sound employment as we can find in the meantime.

Seventh: Recently, at Indianapolis, I called attention to the statement made by Governor Roosevelt in his address on October 25 with respect to the Supreme Court of the United States. He said:

“After March 4, 1929, the Republican Party was in complete control of all branches of the Government—Executive, Senate, and House, and I may add, for good measure, in order to make it complete, the Supreme Court as well.”

Now, I am not called upon to defend the Supreme Court of the United States from that slurring reflection. Fortunately for the American people that Court has jealously maintained over the years its high standard of integrity, impartiality, and freedom from influence of either the Executive or Congress, so that the confidence of the people in the Court is sound and unshaken.

But is the Democratic candidate really proposing his conception of the relation of the Executive with the Supreme Court? If that is his idea, he is proposing the most revolutionary new deal, the most stupendous breaking of precedent, the most destructive undermining of the very safeguard of our form of government yet proposed by any Presidential candidate.

Eighth: In order that we may get at the philosophical background of the mind which pronounces the necessity for profound change in our economic system and a new deal, I would call your attention to an address delivered by the Democratic candidate in San Francisco early in October.

He said:

“Our industrial plant is built. The problem just now is whether under existing conditions it is not overbuilt. Our last frontier has long since been reached. There is practically no more free land. There is no safety valve in the Western prairies where we can go for a new start. . . . The mere building of more industrial plants, the organization of more corporations is as likely to be as much a danger as a help. . . . Our task now is not the discovery of natural resources or necessarily the production of

more goods, it is the sober, less dramatic business of administering the resources and plants already in hand . . . establishing markets for surplus production, of meeting the problem of under-consumption, distributing the wealth and products more equitably and adopting the economic organization to the service of the people. . . .”

Now, there are many of these expressions with which no one would quarrel. But I do challenge the whole idea that we have ended the advance of America, that this country has reached the zenith of its power and the height of its development. That is the counsel of despair for the future of America. That is not the spirit by which we shall emerge from this depression. That is not the spirit which has made this country. If it is true, every American must abandon the road of countless progress and countless hopes and unlimited opportunity. I deny that the promise of American life has been fulfilled, for that means we have begun the decline and the fall. No nation can cease to move forward without degeneration of spirit.

I could quote from gentlemen who have emitted this same note of profound pessimism in each economic depression going back for 100 years. What the Governor has overlooked is the fact that we are yet but on the frontiers of development of science and of invention. I have only to remind you that discoveries in electricity, the internal-combustion engine, the radio—all of which have sprung into being since our land was settled—have in themselves represented the greatest advances made in America. This philosophy upon which the Governor of New York proposes to conduct the Presidency of the United States is the philosophy of stagnation and of despair. It is the end of hope. The destinies of this country cannot be dominated by that spirit in action. It would be the end of the American system.

I have recited to you some of the items in the progress of this last generation. Progress in that generation was not due to the opening up of new agricultural land; it was due to the scientific research, the opening of new invention, new flashes of light from the intelligence of our people. These brought the improvements in agriculture and in industry. There are a thousand inventions for comfort and the expansion of life yet in the lockers of science that have not yet come to light. We are only

upon their frontiers. As for myself, I am confident that if we do not destroy our American system, if we continue to stimulate scientific research, if we continue to give it the impulse of initiative and enterprise, if we continue to build voluntary cooperation instead of financial concentration, if we continue to build into a system of free men, my children will enjoy the same opportunity that has come to me and to the whole 120 million of my countrymen. I wish to see American Government conducted in that faith and hope.

Now, if these sample measures and promises, which I have discussed, or these failures to disavow these projects, this attitude of mind, mean anything, they mean the enormous expansion of the Federal Government; they mean the growth of bureaucracy such as we have never seen in our history. No man who has not occupied my position in Washington can fully realize the constant battle which must be carried on against incompetence, corruption, tyranny of government expanded into business activities. If we first examine the effect on our form of government of such a program, we come at once to the effect of the most gigantic increase in expenditure ever known in history. That alone would break down the savings, the wages, the equality of opportunity among our people. These measures would transfer vast responsibilities to the Federal Government from the States, the local governments, and the individuals. But that is not all; they would break down our form of government. It will crack the timbers of our Constitution. Our legislative bodies cannot delegate their authority to any dictator, but without such delegation every member of these bodies is impelled in representation of the interest of his constituents constantly to seek privilege and demand service in the use of such agencies. Every time the Federal Government extends its arm, 531 Senators and Congressmen become actual boards of directors of that business.

Capable men cannot be chosen by politics for all the various talents that business requires. Even if they were supermen, if there were no politics in the selection of a Government official, if there were no constant pressure for this and for that, so large a number of men would be incapable as a board of directors of any institution. At once when these extensions take place by the Federal Government, the authority and

responsibility of State governments and institutions are undermined. Every enterprise of private business is at once halted to know what Federal action is going to be. It destroys initiative and courage. We can do no better than quote that great statesman of labor, the late Samuel Gompers, in speaking of an exactly parallel situation. He said:

“It is a question of whether it shall be government ownership or private ownership under control. If I were a minority of one on this occasion, I would want to cast my vote so that the men of labor shall not willingly enslave themselves to government in their industrial effort.”

Now, we have heard a great deal in this campaign about reactionaries, conservatives, progressives, liberals, and radicals. I think I belong to every group. I have not yet heard an attempt by any one of the orators who mouth these phrases to define the principles upon which they base these classifications. There is one thing I can say without any question of doubt—that is, that the spirit of liberalism is to create free men; it is not the regimentation of men under government. It is not the extension of bureaucracy. I have said in this city before now that you cannot extend the mastery of government over the daily life of a people without somewhere making it master of people’s souls and thoughts. Expansion of government in business and otherwise means that the government, in order to protect itself from the political consequences of its errors or even its successes, is driven irresistibly without peace to greater and greater control of the Nation’s press and platform. Free speech does not live many hours after free industry and free commerce die. It is a false liberalism that interprets itself into Government operation of business. Every step in that direction poisons the very roots of liberalism. It poisons political equality, free speech, free press, and equality of opportunity. It is the road not to liberty but to less liberty. True liberalism is found not in striving to spread bureaucracy, but in striving to set bounds of it. It is found in an endeavor to extend cooperation between men. True liberalism seeks all legitimate freedom first in the confident belief that without such freedom the pursuit of other blessings is vain. Liberalism is a force truly of the spirit proceeding from the deep realization that economic freedom cannot be sacrificed if political freedom is to be preserved.

Even if the Government conduct of business could give us the maximum of efficiency instead of least efficiency, it would be purchased at the cost of freedom. It would increase rather than decrease abuse and corruption, stifle initiative and invention, undermine development of leadership, cripple mental and spiritual energies of our people, extinguish equality of opportunity, and dry up the spirit of liberty and progress. Men who are going about this country announcing that they are liberals because of their promises to extend the Government are not liberals; they are the reactionaries of the United States.

Now, I do not wish to be misquoted or misunderstood. I do not mean that our Government is to part with one iota of its national resources without complete protection to the public interest. I have already stated that democracy must remain master in its own house. I have stated that it is, at times, vitally necessary for the Government to protect the people when forces run against them which they cannot control. I have stated that abuse and wrongdoing must be punished and controlled. Nor do I wish to be interpreted as stating that the United States is a free-for-all and devil-take-the-hindmost society.

The very essence of equality of opportunity in our American system is that there shall be no monopoly or domination by anybody—whether it be a group or section of the country, or whether it be business, or whether it be group interest. On the contrary, our American system demands economic justice as well as political and social justice; it is no system of *laissez faire*.

I am not setting up the contention that our American system is perfect. No human ideal has ever been perfectly attained, since humanity itself is not perfect. But the wisdom of our forefathers and the wisdom of the 30 men who have preceded me in this office hold to the conception that progress can be attained only as the sum of the accomplishments of free individuals, and they have held unalterably to these principles.

In the ebb and flow of economic life our people in times of prosperity and ease naturally tend to neglect the vigilance over their economic rights. Moreover, wrongdoing is obscured by an appearance of success in enterprise. Then insidious diseases and wrongdoings do grow apace. But we have in the past seen in times of distress and difficulty that

wrongdoing and weakness come to the surface, and our people, in their endeavors to correct these wrongs, have been tempted to extremes which destroy rather than build.

It is men that do wrong, not our institutions. It is men who violate the laws and public rights. It is men, not institutions, that must be punished.

Now, in my acceptance speech 4 years ago at my own home town of Palo Alto I stated:

“One of the oldest aspirations of the human race is the abolition of poverty. By poverty I mean the grinding by undernourishment and cold and ignorance and fear and of old age of those who have the will to work.”

I stated that:

“In America today we are nearer a final triumph over poverty than in any other land at any other time. The poorhouse has vanished from among us; we have not reached that goal, but given a chance to go forward, we shall, with the help of God, be in sight of the day when poverty will be banished from this Nation.”

Our Democratic friends have quoted this passage many times in this campaign. I do not withdraw a word of it. When I look about the world even in these times of trouble and distress I find it more true in this land than anywhere else under the traveling sun. I am not ashamed of it, because I am not ashamed of holding ideals and purposes for the progress of the American people. Are our Democratic opponents prepared to state in their mouthing of this statement that they do not stand for this ideal or this hope? For my part, I propose to continue to strive for it, and I hope to live to see it accomplished.

Now, one of the most encouraging and inspiring phases of this whole campaign has been the unprecedented interest of our younger men and women. It is in this group that we find our new homes being founded and our new families in which the children are being taught these basic principles of love and faith and patriotism. It is in this group that we find the starting of business and professional careers with courage, with hopeful faces turned to the future and its promise.

It is this group who must undertake the guardianship of our American system and carry it forward to its greater achievements.

Inevitably, in the progress of time, our country and its institutions will be entirely in their hands. The burdens of the depression have fallen on the younger generation, probably greater than even its severity on their elders. It has affected not only their economic well-being but has tended also to shatter many illusions. But their faith in our country and its institutions has not been shaken. I am confident that they will resist any destruction to our American system of political, economic, and social life.

It is a tribute to America and its past and present leaders, and even more a tribute to this younger generation, that, contrary to the experience of other countries, we can say tonight that the youth of America are more staunch than many of their elders. I can ask no higher tribute to the Republican Party, no greater aid in the maintenance of the American system and the program of this administration than the support being given by the younger men and women of our country. It has just been communicated to me that in every county and almost every precinct of our country, 3 million members of the Young Republican League are meeting tonight to listen to this address and to rally their support for the party on November 8. That in itself is a victory for the American system.

My countrymen, the proposals of our opponents represent a profound change in American life—less in concrete proposal, bad as that may be, than by implication and by evasion. Dominantly in their spirit they represent a radical departure from the foundations of 150 years which have made this the greatest Nation in the world. This election is not a mere shift from the ins to the outs. It means the determining of the course of our Nation over a century to come.

Now, my conception of America is a land where men and women may walk in ordered liberty, where they may enjoy the advantages of wealth not concentrated in the hands of a few but diffused through the opportunity of all, where they build and safeguard their homes, give to their children the full opportunities of American life, where every man shall be respected in the faith that his conscience and his

heart direct him to follow, and where people secure in their liberty shall have leisure and impulse to seek a fuller life. That leads to the release of the energies of men and women, to the wider vision and higher hope. It leads to opportunity for greater and greater service not alone of man to man in our country but from our country to the world. It leads to health in body and a spirit unfettered, youthful, eager with a vision stretching beyond the farthest horizons with a mind open and sympathetic and generous. But that must be builded upon our experience with the past, upon the foundations which have made this country great. It must be the product of the development of our truly American system.

NOTE: The President spoke at 9:20 p.m. to an audience of approximately 22,000 people. Edith Kermit Carow Roosevelt introduced the President.

The National Broadcasting Company and the Columbia Broadcasting System radio networks carried the address.

The above text is a transcript taken from a sound recording of the address.

367

Remarks at Carnegie Hall in New York City.

October 31, 1932

I HAVE ALWAYS failed at finding words to express what is in my heart at receptions such as you have given me. I am grateful for your generosity and your encouragement in this battle. It is a precious thing. It is evidence not only of the effort that you are making but it is evidence of what you will attain on the 8th day of November.

This is not a time for a further discussion of public questions. You have heard enough of that from me for one night.

I want to emphasize to you that this is not a question of a choice between men. It is not a question of a choice between political parties. It is a question of choice between philosophies and destinies of your Government. An election is not confined to the election of a President. It means that if the policies in which you have faith are to be executed you must be represented in that sane philosophy by the government

of your State. It would be helpful, but I should not take your time on the subject of my friend Bill Donovan.

And I would remind you if we are to succeed in administration we must have staunch supporters in the House of Representatives. There has been no more staunch person than Mrs. Pratt, and there has been none more encouraging and more alive to the enemy.

But the major purpose of my coming here is not that you might perhaps see me but that I might get some of your spirit. I wish to thank you and to express to you the gratitude that is in my heart for the reception which you have given me tonight.

NOTE: The President spoke at 10:45 p.m. to an overflow crowd estimated at 2,500 people. Representative Ruth Pratt introduced the President. William J. Donovan was the Republican candidate for Governor of New York.

368

Message to the Young Republican League.

October 31, 1932

[Released October 31, 1932. Dated October 25, 1932]

My dear Miss Summers:

I will be obliged if you will express my cordial greetings to the members of the Young Republican League, and my warm appreciation of their powerful aid in this campaign. The Republican Party has always recognized the spirited political energy of the younger men and women as a vital force in shaping its policies and fighting its battles in behalf of constructive and forward-looking government. That battle today is at the critical hour, when every battalion should swing into line for the final charge to victory. Yours should be a ringing call to arms.

Yours faithfully,

HERBERT HOOVER

[Miss Jean Summers, Secretary, Young Republican League, Republican National Committee, Palmer House, Chicago, Illinois]

NOTE: The message was made public at the Republican Party campaign headquarters in Chicago, Ill.

369

Message to the American Artists Professional League.
October 31, 1932

[Released October 31, 1932. Dated October 25, 1932]

My dear Mr. Reid:

The sittings given by me to portrait artists during the last three years have been granted at the request of various organizations and groups who wished to have a portrait of the President. In each case, these groups have selected the artists by whom they themselves wished to have the portraits executed. There have been no portraits made as yet on my own order for my own use. I appreciate your friendly interest.

Yours faithfully,

HERBERT HOOVER

[Mr. Albert T. Reid, National Vice Chairman, The American Artists Professional League, 103 Park Ave., New York City]

NOTE: The President's message, subsequently printed in an issue of Art Digest, was in response to a protest from the league that foreign artists had exploited the Chief Executive to enhance their own prestige. Particular reference was made to portraits done by Philip de Laszlo, Philides Costa, Joseph Sigall, and Douglas Chandor. According to the league, Raymond Adams had been the only American to paint the President's portrait.

370

Message to Jennie Hobart for Use at a Political Meeting.
November 1, 1932

THIS IS the hour of battle. The issues are sound government, sound measures, sound men. Your meeting should be a call to arms to win this battle.

HERBERT HOOVER

[Mrs. Jennie T. Hobart, Paterson, New Jersey]

NOTE: The message was read at a political meeting held at Mrs. Hobart's home, Carroll Hall, in Princeton, N.J. Mrs. Hobart was the widow of Garrett A. Hobart, Vice President of the United States from 1897 to 1899.

682

371

Address to the California Society of Washington, D.C.

November 2, 1932

I AM SPEAKING tonight to our California association in this city and to my fellow Californians and my friends in Oregon and Washington over the telephone and radio.

I find myself speaking with no feeling of being removed or apart from the people at home in my own State. There is no separation of time or distance which the longing of the heart and mind cannot span between those whose common experience in daily living, fundamental aspirations and ideals give common sympathy and common understanding.

The telephone and the radio which convey my voice to you across the continent are not quicker in their errand than is the spirit which prompts the message they bring to you.

It is almost 48 years since I came as a boy to Oregon where, under the tender care of my uncle, I spent 7 years amid the glories of the Willamette Valley, and it was there that I began to earn my own living. Still a boy I, 40 years ago, came to California in search of an engineering education, with little means beyond the savings I had made. That opportunity was made possible for me by a citizen of California in the endowment of Stanford University free of tuition.

After having worked in the mines of California with my own hands, through the same gentle kindness of another great citizen of California, I was started on my professional career. A great chance came to me through the world leadership California had attained in the mining industry, and I participated in responding to the demand of foreign countries for the training and skill that California had developed in that profession. I have never gone so far away, nor remained so long, except during the Great War and the Presidency, that the homing instinct has not carried me back every year to sink more deeply and more firmly the roots of my being in the fertile soil of California's spiritual and cultural life.

During the 4 years of the Great War, I represented the United States in great enterprises which brought credit and distinction to our country and to my State. But I was deprived during those years of return to my home. Fearful that my sons should grow up without that imprint of California; that they might fail in touch with their own people, they with their mother spent a large part of that period in our California home, to be educated there in the prime school of democracy—our public schools.

After the war we came home with the hope and long-treasured enterprise of every normal American family of building a new house. I am not one of those Californians whose heart needs the awakening influence of absence to quicken his appreciation of the State of his birth or adoption. When sooner or later the time arrives which permits me to do so, I propose to return to my home in Palo Alto to live with my fellow Californians.

Elevated to the Presidency of the United States as a son of California, it has been my task to contend with the greatest peacetime disaster which has ever come to the American people. That crisis has extended over every hour and every day for the whole of the last 2 years. It has not so far permitted me to be away from the nerve center of the Nation, the headquarters of a great battle, a distance of more than a night's journey.

Our family has each year made fond plans for return to spend a summer at our own home for normal change and relief from work, but new crises and new emergencies have compelled me to remain at the Capital of the Nation. The improved situation in the country affords me the deep satisfaction of coming home to vote, but not for the purpose of carrying on a political campaign amongst my neighbors, who are my friends, but to satisfy that proper instinct inherent in every American to cast his vote amongst his neighbors at his own home. I trust I may not be prevented from exercising this privilege.

My friends, in addressing you tonight as a Californian, I am asking you for support in this contest because, in the outcome of this fight for the Republican Party, the people of the State of California have a great stake. I am addressing the people of Oregon and Washington

because they, too, might be faced with the sacrifices of their most vital interests.

No more serious moment has ever brought the people of California and myself together in counsel as friends and neighbors than that which challenges us now. California has been honored by the Nation with its leadership during a period even more dangerous than a great war. I do not take seriously the claims of our opponents, however loudly voiced, that California will contribute to the responsibility of interrupting that leadership to the Nation which California has itself provided.

I do not need to remind Californians of the stages by which this crisis developed. While our opponents lay it largely to the mania of speculation, which indeed did contribute, all Californians know the ease with which our own State has time and again recuperated from such reverses by a short wait for the solid forces of growth to catch up with the overadvancement and overdevelopment of hope and enterprise.

Our opponents further claim that this great calamity was also due to increases in the tariff. Pacific Coast States can scarcely agree to this idea because they themselves were among the largest beneficiaries from these increases.

The Democratic candidate stated at Seattle: "When this tariff was passed with its outrageous rates, these laws started us on the road where we now find ourselves and that is the road of ruin."

He further states: "Here on the Pacific coast it has had a destructive effect in our oriental trade."

He repeated at Sacramento: "I have called immediate attention to the tariff that has done so much to destroy foreign trade by making foreign trade virtually impossible. I called for consideration of means by which trade with the Orient, which has so largely been destroyed, may be restored."

In the face of the facts no one has a right to broadcast such statements blaming the people of the Pacific coast. I may mention after that tariff bill was passed our exports to China increased from \$80 million in the fiscal year 1931 to \$93 million in the fiscal year 1932; exports to Japan increased from \$146 million in the fiscal year 1931 to \$240

million in the fiscal year 1932. And even this is not the whole story, for if we were to analyze the effect of the decrease in world prices we would find on a quantity basis that our oriental trade is even larger than is shown by dollar valuation. While our opponent is ignorant of the facts he reveals his hostility to the tariffs on Pacific coast products.

In fact, the true cause of the real calamity which interrupted our entry into the road of recovery some 18 months ago lies deep in the World War and its aftermath, the inability of Europe to longer stand the strain without enormous readjustments of debts, overexpansion of armaments, et cetera, which finally brought about economic collapse of 30 nations. In every quarter of the globe confidence, which is the foundation of the faith on which the economic structure is builded, crumbled; business came to a standstill; European institutions, with a hundred years of financial stability, collapsed; European social order received such reverses that the whole structure of civilization was at one time on the brink of chaos, collapse, and ruin, and we alone held the last fortress of stability in the world. The invasion of this army of fear destroyed confidence, sapping the defenses of our financial system and stifling our exports of goods to those nations, threatened to bring down our entire industrial and commercial structure.

This was the new world war, a war of fearful and invisible enemies. Its spectral hosts, recruited in Europe and gathering allies from every land, turned their final march of assault upon our shores and even upon our Pacific Coast States.

As the responsible head of the Nation, I, following the historic policy of our past, abjured partisanship. I called for national unity in the face of national danger; I set before the leaders of both parties a complete program of measures for national defense and recovery. To the credit of my countrymen, they answered this call with almost complete unanimity; many patriotic Democrats in the Congress aligned themselves with patriotic Republicans under the banner of a united nation.

I need not recite the long series of over 30 measures initiated by my administration to sustain wages and employment; to prevent hun-

ger and cold among millions of men, women, and children; to hold impregnable our Government credit as the basis of all stability to maintain the structure of private credit system through the Federal Reserve System, the Reconstruction Corporation, the land banks, the agricultural banks, home loan banks, the Farm Board; the expansion in public works; the mobilization of cooperation in all parts of our country; and a score of other activities. Their whole purpose was to hold the Nation steady in this crisis and to maintain the validity of the deposits of our people in the banks, the savings, the insurance policies of our people, and to hold the jobs for those who had work, to care for the distressed, and keep the economic machine functioning until the hurricane was passed. These actions saved this Nation from a score of years of destructive degeneration.

Nor were these dangers just general to the Nation. These invasions swept from State to State and from city to city throughout the country. It was a battle not alone against a nationwide startling growth of fear but against local and separate dangers in which at times each one of our Pacific Coast States has been the object of acute anxiety and direct action on the part of the Federal Government in their defense.

One great difficulty which arose to halt our progress was the development by the Democratic House of Representatives and the allies which they had secured to themselves of a series of disastrous measures for vast raids on the Public Treasury, the issuance of greenback money, and other interferences with the currency. The flank attacks had to be fought, coincident with fighting a hundred battles on the whole economic front, and they delayed the effectiveness of our potent measures for recovery until the Democratic House of Representatives and their allies adjourned. Our opponents at no time have proposed a single constructive measure to meet this emergency.

Finally, confidence being restored, we have been able to mobilize these measures into counterattack on the depression. Since the adjournment of Congress a million men have returned to work, new courage and enterprise have come into the lives and souls of men, and again America has begun the march forward which she has moved over these 150 years. The poignant question which citizens are asking today is

whether we are going to check this progress and subject harried business, employment, and agriculture to a new term of waiting and uncertainty by the threat of new policies which are destructive in character both in the short and long view of our Nation.

I cannot better illustrate the measures of defense and attack than to point to a few of their applications to our Pacific Coast States.

Bear in mind that the head of a nation has the obligation to exert equal concern for the necessities of every State. I use this illustration merely to bring home to my neighbors and friends in the West the practical application to them of the vast program we have put in motion.

No man can say I was unmindful of the Pacific Coast States when immediately upon taking office and in the face of every prophecy and every precedent of political disaster to Presidents who demand tariff revisions, I called Congress into special session for upward revision of all farm tariffs, including the products of every farm, orchard, ranch, and garden in California and the other Pacific Coast States. And, further, that I secured the support of Republican States not interested in the setting up of the oil and lumber tariffs, so that we gained for these industries and their workers a much-needed relief to their unemployment.

There are no States in the Union where prosperity is so dependent upon the maintenance of the protective tariff as in those of the Pacific coast. There is scarcely a commodity now produced within your borders that could be produced on a commercial basis tomorrow if we were to take down the barriers which prevent a flood of goods outside our boundaries from the North, the South, across the Atlantic and the Pacific.

You are familiar with the proofs. I need recite but a few. For instance, southern California should be interested that lemons can be laid down in New York from Europe at \$3.50 a box, while through tariff protection California is able to sell her product for \$6.50. Petaluma is interested that the import of over 3-million dozens of eggs has dropped to 300,000 this year under Republican tariff, and through the recent order I signed in connection with dried eggs upon the determination of facts by the Tariff Commission we saved that industry. New Zealand butter could

be sold at this moment over the whole Pacific coast at less than 14 cents per pound; similar grades of butter bring 22 cents per pound because of the tariff. Against Asiatic beans the tariff has afforded, during the last 2 years, a nearly 100 percent protection for the Pacific coast farmer. Raisins and figs of Fresno and prunes of the Willamette and Santa Clara Valleys would sell in the common markets of the East at rates that would, despite the low level of present prices, reduce returns to those producers by nearly 50 percent. The price of California wool in the Boston market is 38 cents today, whereas your Australian competitors could sell the same kind of wool there for less than 22 cents, and the difference is due solely to the tariff.

It is not difficult to gauge the shallow hypocrisy of Democratic pretensions of tariff consideration in behalf of the Pacific coast farmer. The same story could be told of every farm product—nuts, grapes, melons, tomatoes, celery, and a score of commodities.

Turning to another of our great coast products, 60 cents out of each dollar produced in the Pacific Coast Northwest comes from the forests, where higher wages are paid to lumber workers than in any other district in the world. Since the passage of the tariff act, British Columbian lumber exports into the United States have almost disappeared, and those from Russia, which had rapidly developed into a large trade, have almost ceased.

I would like to repeat here a statement made on Friday, October 28, by Mr. W. D. Euler, former National Minister of Canada and now a Member of the Canadian House of Commons. He said:

"I have no particular love for our American friends so far as business is concerned, but I would not cut off my nose to spite my face. It may be that after the next election—and it looks that way—the United States Government may change its attitude, and you may find President Roosevelt, if he is elected, making certain proposals possibly as to allowing our lumber to come into that country, or our fish, or something else."

And this protection afforded to Pacific coast industries by the tariff of 1930 and since has become doubly imperative within the last few months, due to depreciation of currencies as a part of the world collapse. As many of you know, due to a more than 50 percent depreciation in

Japanese currency since last spring, the competitors of our Pacific coast fish industries, which employ nearly 90,000 workers and have an invested capital of more than \$103 million, have been confronted with the gravest peril. As a result of this depreciation of currency, foreign salmon is now quoted at about half the price of our Pacific coast product. Our imports of canned sardines, which come largely from depreciated currency countries, were almost 90 percent larger in September of this year than in September 1931. And other branches of our important Pacific coast industries, such as canned vegetables, dried fruits, beans and pulp, iron and steel may also be threatened with a similar peril.

In the light of this grave emergency, I have asked the Tariff Commission to investigate the situation immediately and, if the findings warrant, I shall at once increase the protection to these industries. The fact is, we on the Pacific coast are faced with the necessity to consider increases in the tariff instead of the proposals of the Democratic Party to reduce them. Our citizens should not be fooled by promises of local Democratic candidates not to reduce these tariffs.

Every man who knows the constitution, the character platform, and the traditional policy of the Democratic Party knows perfectly well that these products will rot on the farms and in our forests of the Pacific coast under such a regime. Furthermore, it must be obvious that the progress the Pacific coast has made from the crisis in certain industries toward upward movement of the last 4 months would wither under any such proposal. We would go back to conditions of depression worse than that through which we have passed.

I would call your attention to another phase of the tariff question, that is, the proposal of negotiated reciprocal tariff by the Democratic Party. I have just examined again the protests which were lodged with the State Department at the time of the increases in our tariff 2 years ago. I find that protests were made by 40 different countries. They are nothing new. They occur with every tariff bill, and the Democrats always ventilate them as being threats to our national welfare just as the Democratic candidate did while in our State. I found, however, that these protests in large part relate to items of interest to the Pacific Coast States: wool, hides, tomatoes, lettuce, celery, onions,

potatoes, carrots, cattle, hogs, butter, cheese, eggs, canned goods, canned fish, sugar, preserved cherries, oranges, lemons, raisins and dried fruits, apples, olive oil, beans, peas, cement, pottery manufactures, iron and steel manufactures, lumber, and oil.

No reciprocal agreement would be made with these countries at all except at the expense of the Pacific Coast States. Because we have determined to protect the civilization upon which the Coast States rest, and their distance from States of predominant interest to that party, the Democratic candidate tells us that we have been unjust to foreign nations and that we have brought calamities on all other States and the world by our insistence upon your protection.

To indicate the practical application of our measures to protect the Pacific coast from destruction in this crisis and to advance that recovery, I may cite a few of the direct applications to California, Oregon, and Washington.

The National Credit Association and the Reconstruction Corporation at one time advanced over \$150 million to some 409 banks, including branches, in the State of California; to 62 in Oregon; and to 99 in Washington. This sum has been largely repaid. Those banks have more than 3 million depositors, every one of whom was helped by these loans which were made solely for the purpose of protecting their deposits and savings, and of preventing undue pressure on borrowers from those banks during the period of panic. Had these advances not been made your entire banking system would have collapsed beyond any doubt. But this action has tided over the panic, has reestablished the banking system of the Pacific coast again on a sound basis, and has kept practically every family from despair at loss of their deposits.

I may call attention to the fact that during this period loans were made to 24 different building and loan associations on the Pacific coast and to 5 mortgage concerns, with a view to preventing foreclosure of mortgages on the homes and farms of hundreds of thousands of people.

The Federal Farm Board, created by my activities, has advanced to California farm cooperatives a total of \$31,298,000 to prevent their

collapse in this time of distress and thus aided hundreds of thousands of families. On top of this, in order to aid in employment, the Federal Government has expended, during my administration, on and let contracts for public works, buildings, roads, and other items \$100 million in California, \$45 million in Oregon, and \$50 million in Washington. This has provided work for hundreds of thousands.

Beyond this again the Reconstruction Corporation, under provisions for advancing employment through reproductive works, has authorized advances to great projects in the Pacific Coast States which were held in abeyance because of the credit paralysis, such as the San Francisco-Oakland Bridge, the bringing of Colorado River water into southern California—which enterprises will finally expend upwards of \$400 million for the invigoration of the industries of California and the whole of the Nation. Beyond this the Reconstruction Corporation has authorized loans to States on the Pacific coast for the care of distress among unemployed.

Under these measures which I have inaugurated, we have set up new agricultural credit banks on the Pacific coast in order that there shall be no question as to the ability of our farmers to borrow money for productive purposes. We have set up new home loan banks in those States in order that we may protect and expand the activities of the building and loan associations and savings banks, not alone to protect homeowners from foreclosure but to free capital with which new homes can be built and new labor employed.

These great actions by the use of Federal credit to tide Pacific Coast States across the trough of this depression reflect directly and indirectly into every home and fireside in those States.

These measures which I have cited are but a partial picture of the reasons why I have not been able, during the whole of these 4 years, to renew the friendships and those associations in my home State, or even to have the pleasure of attending the Olympic games.

In all the stress of these past years, especially in these past few weeks when we have been battling that the rehabilitation of this Nation may be carried forward without interruption, nothing has been more heartening than the messages of confidence and hope that I have received

from the mobilized women of California. I realize that when difficulties come of the character we have been meeting it is the women who first feel the effects of economic pressures on their shoulders, the burden of thousands of small economies that must be made for the preservation of the home and the safety of the children. They are proving the great steadying influence in the Nation, the great preservers. They will refuse to risk the fate of their families through the abandonment of those safeguards which we have builded during the past 150 years or to risk the programs of reconstruction we have inaugurated, by the adoption of the proposals of the Democratic Party which will inherently destroy it. I should like to pay a tribute to the organization of your young voters who are fighting this battle with us to such telling effect.

I have been requested by the Republican State Committee to comment on two calumnies being circulated by the Democratic agents in my home State. I had not supposed it necessary, but I can do so categorically. As to the first calumny, I have not, since I entered public service 15 years ago, owned any interest directly or indirectly in any kind of business outside of the boundaries of the United States, including any concern producing, transporting, or distributing oil. Twenty years ago I invested \$5,000 in the California Oil Company, and I still have it. The second defamation that I am asked to denounce which has been industrially circulated is to the effect that the ranch at Wasco, my interest in which I disposed of 2 or 3 years ago, refused to employ white workers. To support this cheap political trick, a notice was prepared and hung on the gates and photographed for circulation despite repeated public statements of its fraudulent character by various substantial men.

I might add one further note of interest to the Pacific Coast States. Repeatedly in these last 4 years in illustrating what may be accomplished under the American system of government, and by a virile people, I have pointed out publicly and privately, time and again, the great example of the Pacific Coast States, an empire to itself—where 8 million people have settled in a period of less than 85 years, have builded a state of society in which there has been a degree of comfort, an addition to the sum total of human possessions, a diffusion of wealth,

and a security that is not exceeded by any similar area on the face of the globe, no matter how old. And where, with it all, they have advanced in education and intellectual pursuits to the degree that the total number of students in institutions of higher learning amongst only 8 million people, is greater than the attendance in similar institutions in the whole of Great Britain with its population of 45 million.

I am asking you should vote to maintain our American institutions which have given you this well-being, not halt them because of temporary dissatisfactions with forces outside the control of our Government. And it is my purpose tonight to bring to your minds that this march and progress should not be halted nor destroyed.

I do not hesitate to ask you to so express your citizenship next Tuesday as to insure the continuance of this progress, which over the years has made California what it is. It must not deter me from the solemn duty of appealing to you to vote on the basis of the constructive measures and policies of the Republican Party which have protected you from great disasters in the past and have turned the country toward recovery and not allow your votes to be inspired by misrepresentations and general and special appeals to discontent with temporary forces forced upon us from abroad rather than your own well-being.

NOTE: The President spoke at 11:15 p.m. at the Carlton Hotel in Washington, D.C., in ceremonies celebrating California Day. The address was carried by wire to Los Angeles, Calif., and the Columbia Broadcasting System radio network broadcast the address in the Pacific Coast States.

372

Message to the New Jersey Republican Campaign Committee
About the President's Position on Prohibition.

November 2, 1932

I AM IN RECEIPT of your telegram stating that representations are being made that since my Acceptance Speech I have changed my position upon Prohibition. I would be glad if you would reply to any such misrepresentations that my position is unaltered. In that address I set

forth my conclusions clearly and unmistakably. That statement is a matter of public record. It is inconceivable that it should be misunderstood.

HERBERT HOOVER

[Hon. Edward C. Stokes, Chairman, Republican Campaign Committee, Trenton, N.J.]

373

Message to President Harmodio Arias
on Panama's Independence Day.

November 3, 1932

I EXTEND my hearty felicitations on this memorable occasion and the assurances of my personal regard and best wishes.

HERBERT HOOVER

[His Excellency Harmodio Arias, The President of Panama, Panama City]

374

Message to the Zionist Organization of America
on the Anniversary of the Balfour Declaration.

November 3, 1932

[Released November 3, 1932. Dated October 29, 1932]

ON THE OCCASION of your celebration of the 15th Anniversary of the Balfour Declaration, which received the unanimous approval of both Houses of Congress by the adoption of the Lodge-Fish resolution in 1922, I wish to express the hope that the ideal of the establishment of the National Jewish Home in Palestine, as embodied in that Declaration, will continue to prosper for the good of all the people inhabiting the Holy Land.

I have watched with genuine admiration the steady and unmistakable progress made in the rehabilitation of Palestine which, desolate for

centuries, is now renewing its youth and vitality through the enthusiasm, hard work and self-sacrifice of the Jewish pioneers who toil there in a spirit of peace and social justice. It is very gratifying to note that many American Jews, Zionists as well as non-Zionists, have rendered such splendid service to this cause which merits the sympathy and moral encouragement of everyone.

NOTE: The message was sent to Lewis L. Strauss, 52 William St., New York City. Morris Rothenberg, president of the Zionist Organization of America, released the message.

375

Rear Platform Remarks in Connellsville, Pennsylvania.

November 3, 1932

Friends in Connellsville:

I find it difficult to express the very great appreciation that both Mrs. Hoover and I have for your coming in such enormous numbers to greet us here this morning. It is the most generous and the most courteous reception that we have received. It is heartening and encouraging. And it is an indication of what the people of Connellsville will do on the 8th of November next.

I thank you for coming.

NOTE: The President spoke at 10:15 p.m. He was en route to St. Louis, Mo., where he was scheduled to make a major campaign address.

376

Rear Platform Remarks in Indiana and Illinois.

November 4, 1932

[1.] NAPPANEE, INDIANA (7:25 a.m.)

My friends:

I want to express to you the appreciation I have for your coming out so early and coming down to the station to give us this greeting. It is

encouraging, and it is very heartening. And it is a good sign of what you will be likely to do on the 8th day of November. This is not an occasion for a political address or a discussion of national issues. I am going to try to do that at 3:30 this afternoon and again at 7:30 tonight, and as most of you, I have no doubt, are able to get to the radio, you will hear a lot of it then.

[2.] WELLSBORO, INDIANA (Water stop)

I have to get up pretty early to do my job ordinarily, but you get up earlier than I do. Don't you think this is pretty early in the morning to begin to make a speech? I am grateful for your coming down to give a greeting like this. It is very encouraging, and it is heartening. And it is a sign of what you are likely to do on the 8th of November. At 3:30 this afternoon you will be able to hear something of a speech more than I can make on this occasion.

[3.] WOODVILLE, INDIANA (8:40 a.m.)

I certainly appreciate your coming to give me this greeting. It shows you get up as early in the morning as I do to do my job. I greatly appreciate it. It is heartening, and it is encouraging. And it is a sign of what you will do on the 8th of November.

[4.] GARY, INDIANA (9 a.m.)

I doubt whether any President has ever received such a greeting as you are giving to me this morning. I appreciate it. It is heartening. It is encouraging in this fight. It is an indication of the action which you will take on the 8th day of November.

We have passed through 3 long years of national crisis. These difficulties of our Nation were brought on us from abroad. The administration in Washington has taken unprecedented measures calling into action the full powers of the Federal Government in the protection of our people from this invasion. We have succeeded in the defense of our people from the invasion of fear and interference from abroad, and we have preserved the institutions of the United States. We first fought a great battle of defense. We have turned our great instrumen-

talities and measures into an offensive all along the economic front and are restoring employment and agriculture to the United States. We are able at this moment to say to you that men are returning to their jobs at the rate of 500,000 per month, that, since the adjournment of the Democratic House of Representatives and the cessation of their interferences with our program of recovery, we have returned over 1 million men to their jobs.

There is one fundamental difference between our program and that of our opponents that is absolutely fundamental to all of you, that is, the continued protection of our industries from foreign goods. If it were not for the protective tariff today there would be millions more unemployed in our country. If we were to let down the tariff barriers which surround you and which protect you, we should have a new and worse depression.

It is the most potent of all the emergency measures in protection of our people, and yet our opponents propose to reduce that protection. They propose to reduce it at a time when, in the economic debacle among other nations of the world, currencies have depreciated and brought lowered standards of living and lower wages to them, your competitors. They are able to penetrate our tariff wall in many places. The Tariff Commission is at present engaged in investigating these questions. Through it we may be able to repair these breaks which today are depriving the American workman of his employment and decreasing the prices to the American farmer. Our opponents have proposed in this campaign that they will abolish the authority which was established to the Tariff Commission to act in these emergencies. And not only do they propose to reduce the tariff but they propose to destroy the means of readjustment when it becomes necessary to preserve your jobs.

If the protective tariff is to be maintained and if the policies of the Republican Party of restricting immigration so that our own people may be employed are to be maintained, it rests with you, the workingmen and workingwomen of the United States. It can be done solely and only by the return of the Republican Party to power on the 8th day of November. If you desire a change by which the tariff on which

your jobs are built shall be reduced, if you desire a change by which immigration shall be allowed to reenter the United States to compete for jobs at the gates of your factories, you have only to vote for our opponents. We are fighting against these changes. We are fighting for the protection of the American people in their homes and firesides. We have no other interest than to maintain the stability of our own country and restore its employment from the shocks which it has received from outside our borders. We have builded up protection to you in a score of directions, and those protections and those measures are at this moment working steadily for the restoration of our country.

Now, I want again to express my appreciation for the support which you have shown by your gigantic welcome this morning. I have never seen so great a crowd gathered at such a time, and it is a demonstration that the Republican Party will be returned on the 8th day of November to complete its task.

[5.] GRESHAM JUNCTION, ILLINOIS (9:42 a.m.)

My friends:

I deeply appreciate this greeting. It is encouraging. It is heartening, and it is evidence as to where you will stand in this State on the 8th day of November next.

You will realize that this is hardly an occasion for a long discussion of national issues. I have to speak twice during the day today, once at Springfield at about 3:30 and again in St. Louis at 7:30, and I am in hopes you may be able to listen on the radio. I do have something to say on those two occasions, and I know you would like for me to preserve my voice so as to be able to get it across.

Thank you.

[6.] JOLIET, ILLINOIS (10:35 a.m.)

My friends:

I have had receptions of a dimension, since coming into this State, that have been almost unparalleled in the history of Presidential campaigns, and I deeply appreciate your greeting. It is heartening. It is encouraging, and it is stimulating to continue this fight. And it is a

profound indication of where the Republican State of Illinois will be on the 8th day of November.

I am confident that the State of our Union that gave us the first Republican President is going to maintain the Republican Party in the guidance of the policies of this Government.

You will realize that this is not an opportunity for a long discussion of our national issues. I am speaking at Springfield at 3:30 this afternoon, and I am speaking again at St. Louis at 7:30 tonight. I know that most of you have access to the radio. I hope you will listen in because I am going to have something to say with regard to our opponents and the policies they propose for the American people.

This town among all towns has had much from the Republican Party. It has protection to its industries, and it has protection in a double sense today, through not only the present tariff but its protection through a Republican agency created in the last tariff bill, by which breaches which are being made today in the tariff wall can be repaired. They will not be repaired by the Democratic Party, who propose to reduce those tariffs and to increase unemployment in the United States thereby. And those breaches must be repaired to protect the American people in our factories. Therefore, our problem today is not the reduction proposed by our opponents, but it is the very large question as to whether it is necessary to increase the tariff in order to make more jobs for our factories and our farms.

My friends, we have gone through 3 years of difficult times. These times have brought great hardships. They have come upon us as the aftermath of the World War and the collapse of 30 nations abroad from that war. We have established instrumentalities and measures by which we have protected the United States from infinitely worse conditions than those with which we have been confronted, and we have turned those measures to an attack upon the economic situation. The result has begun to show since the adjournment of the Democratic House of Representatives. We have now had 4 months in which to see the results of those measures established by the Republican administration for meeting this battle.

I am glad to give to you this today, to carry some conviction to you, and that one figure is that in the last 4 months 1 million men have been returned to their jobs.

I thank you again for your greeting. It is the most impressive evidence of where your heart lies, and that is in the Republican Party.

[7.] MORRIS, ILLINOIS (11:04 a.m.)

My friends:

I am afraid I cannot undertake to make myself heard over all parts of this tremendous crowd. I have to save my voice for this afternoon at Springfield and tonight at St. Louis, but I do want to express my appreciation for this greeting. It is a sign of what you will do on November 8th.

[8.] OTTAWA, ILLINOIS (11:35 a.m.)

My friends:

I find it difficult to assemble the words to express the appreciation I have for such greetings as have been given to me since I came into the State of Illinois this morning. It is heartening and encouraging and a sure sign of what will happen on November 8th—that the State of Illinois, which furnished the first Republican President of the United States, will continue to be under Republican leadership.

I will speak to you this afternoon from Springfield. I trust many of you have radios, so that you can listen in. I am going to speak to you tonight from St. Louis, and I have to conserve my voice in the open air, so that I can give the impressions which I have of our opponents with the vigor which they deserve.

I thank you for your greeting.

[9.] LASALLE, ILLINOIS (12 noon)

My friends:

I do want to express my appreciation for this tremendous greeting. It is heartening, and it is encouraging. It is a sign of what you will do on the 8th day of November.

I thank you.

[376] Nov. 4 *Public Papers of the Presidents*

[10.] HENRY, ILLINOIS (12:45 p.m.)

I want to express my appreciation for this greeting. It is encouraging, and it is a great stimulation to continue the fight. And it is a sound indication as to what Illinois will do on the 8th day of November.

Thank you.

[11.] PEORIA, ILLINOIS (1:30 p.m.)

This is unquestionably the greatest assembly of citizens at a railway station yet in history. I find it difficult to formulate the words which express my gratitude for your greeting. It is encouraging. It is heartening in this battle, and it is evidence of where the State of Illinois will be on the 8th day of November.

This is not a time to discuss at length our national issues. Within 2 or 3 hours I shall be able to talk to you by radio from Springfield and again this evening from St. Louis. I have one point of which I always wish to remind both the citizens of the town and the citizens of the country, and that is that in these terrible times—and I use the word advisedly—the Republican Party has given a protection to this country from collapses that would have endangered this Nation to a degree of which you have no comprehension. We have turned our great instrumentalities and those unprecedented measures now into complete attack upon the depression. We are moving forward. We are succeeding. Over a million of men have returned to work during the past 4 months, and they are returning to work at the rate of half a million a month. That is the evidence of the success of the great program which the Republican Party offers to this country.

Our opponents are offering you no emergency program. They are giving you some vague promises with regard to the future. The real problem of the American people is to get out of this depression, to restore men to their jobs, and to restore to agriculture their prices. That is the problem upon which our party has concentrated itself. That is the battle in which we are engaged. We have carried the firstline trenches, and we say to you that this is no time to change policies and strategies until we have won this battle complete.

Now, I wish I could more adequately express the appreciation which I have for this greeting. It is the most impressive group that has yet greeted me at any point in the United States, and some of the groups have been most encouraging indeed. I see in your faces and by your looks that we will carry the State of Illinois and by so doing you carry the Nation.

NOTE: Times provided for the President's remarks are approximations based on his itinerary.

377

Address in Springfield, Illinois.

November 4, 1932

My friends:

No man can come to Springfield without a long look backward in our history. No man can visit this national shrine without reflecting once more on its significance in the life of our Republic. No man can live in Washington without constant reminder of the great struggle that determined our country's destiny. And no man in my position can fail to gain inspiration and courage from the courage, the high intelligence, the unswerving fidelity with which Abraham Lincoln met the overwhelming difficulties that threatened the very existence of our Union. I thank you for the privilege of renewing contact with that shrine.

At Des Moines a month ago I made an address largely directed to agriculture. I elaborated some 12 points which I can summarize again, with the progress made in respect to them since that time, and I can now add the apparent reactions upon the Democratic candidate in respect to that statement.

The first of the subjects I discussed at that time was the tariff in its relation to American agriculture. Since that speech, the Democratic candidate has made further statements as to which he can only confuse the public mind and from which I do not believe American agriculture will secure much conviction. It is, of course, difficult for the Democratic Party to maintain one theory on the tariff in the East and another in the

West. But of one thing you can be sure, and that is that the party which placed the majority of farm products on the free list in the tariff bill which they imposed on the country in 1913; the party which voted against the emergency farm tariff in 1921; the party of the Democratic President who vetoed it; the party of the Democratic minority in the succeeding House which voted against the revival of the emergency tariff, although it was forced through by a Republican majority and a Republican President; the party which voted against the increase in the agricultural tariffs in the Republican tariff bill of 1922, and the party which voted against the increase in the farm tariffs in the Hawley-Smoot tariff bill of 1930; the party whose platform enunciated the principle of competitive tariff for revenue, and the candidate who unceasingly has reaffirmed that platform and who denounces the Hawley-Smoot tariff in unmeasured terms, notwithstanding that 66 percent of the dutiable goods under that act are farm products, and who has termed it frequently a ghastly jest, are scarcely the party and the candidate upon whom the Republican farmers of Illinois should depend for their protection. Certainly whatever they may now say in words in the West, they depend upon their historical low tariff policy to carry conviction in the East.

Moreover, I have not yet noticed that the Democratic candidate has abandoned his notion of what he calls "negotiated tariffs" with other governments. I have reexamined the protests which are always lodged by other nations every time we pass a protective tariff bill, and in fact all nations lodge similar protests when one of them passes a tariff bill. I find that all but a few of those protests lay their major emphasis on the increase in our farm tariff. In other words, there is no negotiation that can be carried through that will not be done at the sacrifice of the American farmer.

In speaking at Des Moines I gave some figures at which farm commodities could be sold in the United States from foreign countries, even in these days of distressing and even heartbreaking prices, if the tariff were reduced to a competitive basis for revenue. I can add some items that are especially applicable to the State of Illinois. Your soybean oil is an important new product with you. This oil now sells in

the Atlantic coast markets for about \$3.50 per 100 pounds. It could be imported for far less except for the tariff. It was formerly on the Democratic free list, and your entire industry would be destroyed by lowering the tariff to a competitive basis with the labor of China which is your chief competitive country. Your butter, which sells in New York at 22 cents, could be sold from New Zealand at this moment for 16 were it not for the tariff. And, as a matter of fact, your wheat, distressing as the price is, is selling in Minneapolis today at 12 cents above the Canadian price for similar grades.

In discussing the tariff at Des Moines I pointed out that at that moment there were about 2 million cattle in the northern States of Mexico seeking a market, and stated that: "The price is about \$2½ per 100 pounds on the south bank of the Rio Grande and \$4½ on the north bank, and only the tariff wall between them."

This fact has greatly worried our Democratic orators, and they have concluded that these cattle must be bony, skinny, and seventh-class cattle. Although that is not true, I am quite prepared to transfer this comparison to the highest grade cattle in the world on the northern border where the difference is even more than the \$2 margin between the north side and the south side of the Mexican border. I am further prepared to transfer this comparison to the Argentine, where the highest grade cattle that could come into New York in the form of meat for \$7 per 100 pounds as against the present price of your meat at \$12 per 100 pounds if it were not for the tariff. And I may say to the workmen of Illinois that it is because of the prices that you receive that men are employed in New York making goods for your consumption.

And I wish to call your attention to a further factor that has come to a head during the last few weeks, more particularly since I spoke at Des Moines, and that is the effect of the depreciation of foreign currencies on the ability of our competitors in agricultural products to ship into our markets. When their currencies depreciated, their prices and wages automatically decreased in comparison with ours, and this enables them to penetrate our tariff wall. At this moment foreign farm products, such as butter, pork products, grass for rugs, cattle, and com-

petitive oils, have begun to flow over our borders in competition with our American farmers, and have contributed to the depreciation of the present prices. Particularly is this so from Canada, New Zealand, and the Orient, and from certain European countries. Fortunately, the Republican Party had secured, 2 years ago, the establishment of authority in the Tariff Commission by which the tariffs could be reexamined and readjusted in just such events. I have lately given instructions to the Commission to reexamine certain of the agricultural tariffs with view of presenting to me the actual facts of the difference in cost of production at home and abroad, and certainly if the facts are developed as they appear, I shall promptly act in relief of the American farmer. One of the planks of the Democratic platform, one of the things that has been consistently backed by the Democratic candidate, and one of the things passed by the Democratic Congress was to destroy this authority. And I ask you what emergency relief you could therefore expect from them.

The second point which I took up at Des Moines was the activities of the Farm Board. I stated that the original fundamental purpose of the Board was to encourage cooperative marketing. That they have done to a remarkable degree. Hundreds of cooperative associations would have gone bankrupt in this depression except for the ability of the Farm Board to lend to them the necessary money to carry them during the time of the depression. Today over 2 million of farm families throughout the United States, members of cooperatives, are receiving benefits solely because of the consummation of this undertaking by the Republican Party. Nowhere can I find that the Democratic candidate has agreed to continue this support of cooperative marketing through the Farm Board.

The Democratic candidate does denounce the emergency purchases of farm products during the panic. The files of the Farm Board will show the insistent demand of farm organizations, both Democratic and Republican Senators and Congressmen, Governors, bankers, and grain merchants for that emergency action to be taken. Some of the gentlemen who made these demands are the loudest critics of the Farm Board in this campaign. I have stated that as valuable as the

operation was, I am convinced, and I believe the farmers are convinced, that its aftermath warrants the revision of the act to eliminate this section.

The third subject on which I spoke at Des Moines was the problem of better land use. The Republican platform contains a plank which constitutes the first declaration upon this subject. The Democratic candidate is now for it, but in a recent letter from him to Mr. Shearon, in New York,¹ freely circulated as a campaign document amongst the unemployed in the United States, he promises to put every one of the 10 million unemployed in the United States to work for the Government—a thing impossible to do without ruining every farmer in the United States with taxes and other disabilities. But he also enumerates the further reclamation of land amongst the projects of which he proposes to avail himself. The inevitable consequence would be to further expand agricultural production in the United States, and thereby further embarrass the American farmers with increasing surpluses and decreasing prices.

The fourth subject I discussed at Des Moines was waterways, on which the Democratic candidate has carefully refrained from any but vague references.

The fifth point which I discussed in that address was the loans made to help farmers during the drought and to rehabilitate their production where there were no credit facilities. I stated that I had seen to it that they would not be unduly pressed in the present situation for the repayment of these amounts, and I can report now that measures have been set up which have received the approval of these distressed people. The Democratic candidate has not expressed himself on the continuation of that policy.

The sixth matter which I discussed was the question of taxes upon land property and the injustice of the proportionate burden which the farmer is now bearing. The Democratic candidate has referred to this subject on a number of occasions. He offered to use his influence in solution of it. I stated at Des Moines that I proposed to call a conference

¹ See Item 347, page 588.

of the tax officials immediately after the election and to review the whole relation of our taxes between the Federal, State, and local governments, and to find a basis for each that would give an opportunity to the States to give relief to the farmer.

The seventh point which I discussed at Des Moines was the necessity of maintaining a flow of short-term credit to the farmer to enable him to make short-term loans for planting, harvesting, and feeding of livestock and other productive necessities. I pointed out that much was being accomplished indirectly through credit expansion in various directions by the Government agencies, and I am now able to report that the 10 new agricultural credit institutions which can command over \$300 million of credit are actually in operation in all parts of the country, and the sound demand of no farmer need go unsatisfied. There has been no expression from my opponent as to his views upon that question.

The eighth subject which I discussed was the authorization to the Reconstruction Corporation to make credit available for the movement of farm commodities to the market in normal fashion, and to make credits available for the sale of farm products to countries abroad not otherwise able to produce such commodities. Since that date the farmers of the Northwest States have asked for a loan with which to sell 15 million bushels of wheat to China, and I believe that, despite technical difficulties which have been raised before the Reconstruction Corporation, we shall find solution and secure relief to those farmers with consequent aid to the whole wheat situation. That is a practical application of what I stated at Des Moines as among the powers we had established for the Reconstruction Corporation. The Democratic candidate has not expressed himself upon this policy.

The ninth subject I discussed at Des Moines was the mortgage situation and the actions which we have already taken in provision of additional capital to the Federal land banks and the steps we have taken to secure coordination of private agencies to relax pressure upon mortgages. I further stated that I would propose to Congress at the next session a further reorganization of the Federal land banks to give them the resources and liberty of action to expand in the positive

refinancing of the farm mortgages where it is necessary in order to give men who want a chance to fight for their homes the opportunity to do it. Since then we have further coordinated private loaning agencies and have thereby greatly relaxed the pressures from these agencies upon the farmers. The Democratic candidate in an indefinite way, has expressed his agreement to my proposal to further expand the land banks, but he has made proposals affecting private mortgages which, if he is to carry them beyond voluntary action already in course, he will require an amendment to the Constitution and will be required to adopt my proposal of reorganized land banks in full in order to do the job.

The tenth subject which I discussed at Des Moines was the important element of world stability in the recovery and expansion of our agricultural markets. I stated the necessity of the rebuilding of the credit structure of foreign countries, broken down by the present situation which had forced them off the gold standard and compelled them to restrict their imports of commodities; that we were participating in building up the World Economic Conference for the accomplishment of this purpose. I stated that I would send a representative of agriculture as a member of the American delegation to that Conference. We have made steady progress in the preparatory work for that Conference, and it will be held later in the year. The Democratic candidate has not expressed himself in support of that proposal.

The eleventh subject I discussed at Des Moines was the use of the war debts to assist in the expansion of agricultural markets; I commented on the proposal of the Democratic candidate to lower our tariffs in order that by profits gained from the flood of goods into the United States, these debts would be more easily paid by the foreigner, but the result would be to place the burden of these debts upon our workers by putting them out of employment and on our farmers by forcing their products to rot on their farms. There has been no withdrawal of this proposal by the Democratic candidate.

I stated that I was prepared to recommend that any annual payment of foreign debts be used for the specific purpose of securing expansion of American farm markets, which is the reversal of our

opponent's proposal. The restoration of our proportion of European markets before Russia and other countries began their displacements would alone increase the market for our wheat by 50 million bushels and vastly increase our pork product exports. This will be made a real action.

The twelfth subject I discussed at Des Moines was the advancement of agricultural prices. I stated that the first measure of relief was to hold to our protective tariffs on farm products; that we will maintain. The next move in the battle for improved prices was to stop general deflation. There are evidences in nearly every direction that that has been stopped and that values are recovering. The third step is to expand the foreign market. The project I have proposed will work in that direction. The next step is to expand our domestic markets by restoration of employment, for 92 percent of American farm products are sold in America to American consumers. Every man taken from the ranks of the unemployed and put back to his job is, with his family, an increased consumer. This increase takes place by his ability to buy the more refined products of agriculture, such as animal products, which in turn require a larger consumption of grain. And I can report to you on authority of two different Government agencies that, since the adjournment of the Democratic House of Representatives, the measures which we have instituted for recovery of the country have resulted in a million men being restored to their jobs. They have begun to return at the rate of 500,000 a month, and it will soon begin to reflect in your markets.

I have the most earnest desire to rebuild agriculture. The country fully realizes that the purchasing power of the farmer must be restored to gain national prosperity. I frankly stated at Des Moines that I had come to the farmers with no economic patent medicine especially compounded for them, and that I refused to offer counterfeit currency or false ideas. I shall continue to search for further practical measures.

The Democratic candidate has developed one of the greatest mysteries of this whole campaign in his proposal for relief to agriculture. He has not been willing to state the method by which he proposes to secure the advance of agricultural prices. He has stated with great care six methods

by which he can escape from any demand that he make good on his mysterious proposal.

And he could add two other doors of escape not mentioned—first, that any plan should be constitutional; and, second, that it should not violate the laws of practically every country in the world against the import of commodities produced as the result of subsidies. I closed the door to the New Zealand butter under our own law in order to protect the farmers of the United States on one occasion during this present depression because they were subsidizing production.

It seems to me cruel to hold out hope to a suffering people by vague plans, the most specific parts of which are the ways of escape from putting it into action. The only thing we really know of the plan is that he is unwilling during all these many weeks to submit it to debate. Now, I leave these questions of definite problems before you.

I would like to give to you an important analogy with the whole situation we are in.

It was from Springfield, in the heart of the western prairies, that Lincoln was called to the leadership of the Nation at the beginning of a crisis that threatened our destruction. It was an unprecedented situation of unprecedented problems. A multitude of conflicting counsels beat in on Washington. An influential body of public opinion advocated a do-nothing policy. Even the commander in chief of the national armies, on the day before Lincoln's inauguration, wrote in this spirit: "Say to the seceded States," he wrote, "wayward sisters, depart in peace." The most distinguished statesman of the time, William H. Seward, Lincoln's Secretary of State, advised the President to take the country into a foreign war, in the hope that this might rally the separating States to the defense of the Union. As the long conflict wore on, discouraged patriots urged and urged again a negotiated settlement.

Through all this tumult of discordant opinions, under the terrible strain of discouragement and apparent failure, Lincoln kept his head. He thought straight: "The Union must be preserved." He never was diverted from his goal. He never faltered. And in the end the policies he had adopted, the forces he had set in motion, carried the country through. The Union was saved. His record, his example, are a priceless

heritage to the Nation. They are a constant incentive to every man who occupies a position of leadership in difficult times. They are a living guide to every man who in the Presidential office lives hourly in his invisible presence.

We are assembled here today in the midst of a gigantic economic conflict. For the last 3 years we have been beset with forces that threatened our economic structure as truly as the forces unleashed in the War Between the States threatened the structure of the Republic. On other occasions I have compared our present situation to a war on a hundred fronts. I have given some account of these various engagements, and of the general strategy of our campaign.

Here at Springfield, with its historic associations, it is appropriate to review briefly the events of that earlier struggle and to consider some of the similarities to the situation that we have met in the last 3 years. We must not press analogies too far. But I believe you will agree with me as we examine the record that certain phases of the conflict between the States will help to better understand our recent events.

And first I would call your attention to the suddenness and unexpectedness with which the blow fell that transformed a peaceful people into a people engaged in a desperate war. As we look back now, it seems perfectly clear that the struggle had been in the making for many years. In the light of history, it seems to have been an inevitable conflict between two irreconcilable theories of government. But even as the day of armed conflict approached, the people were busy with the matters of everyday life. If you search the newspaper and magazine files of the time, you will be amazed at the tranquillity shown, in view of what we now know was then impending.

As you all remember, the storm broke in the weeks immediately before Lincoln's inauguration. The events that followed I need sketch only in the broadest outlines. The first 2 years were a period of almost unrelieved gloom for the Union forces. One disaster followed another and the year 1862 ended with Burnside's defeat at Fredericksburg. The year 1863 opened as gloomily with the disaster to Hooker at Chancellorsville. But in July of 1863 the Union retreat was definitely stopped by Meade at Gettysburg and Grant at Vicksburg. Still, the

victory was far from won. The draft riots in New York that summer showed how even the North was feeling the strain. The gigantic struggle continued into the 4th year with no decisive outcome in sight. Grant, intrusted with the chief command of the Union forces in March 1864, entered upon the frightful "wilderness campaign," which culminated in the appalling losses at Cold Harbor, June 1 to 3.

The Presidential campaign was coming on. A convention of the disaffected met at Cleveland on May 31 and nominated General John C. Fremont for President. The Republican convention met at Baltimore June 7—only 4 days after Cold Harbor.

We know now, what could not be known at the time, that the real victory had been won at Gettysburg; that the forces against the Union, gallant as they were, and actuated by the deepest of convictions, had been overcome in the long struggle of the preceding years. Yet this fundamental fact was still obscured by the smoke of battle. The North was still dismayed, almost stunned by the violence of the blows it had received. The casualties of the "wilderness" hung like a pall over the land. Would it be possible, men asked, for the Nation to survive? Was it worthwhile fighting on?

Lincoln was renominated by the Republican Party, but the country was profoundly disheartened. It felt it had made enormous sacrifices and had made them vainly. True, Grant had now advanced on Richmond and had invested the capital of the Confederacy. But early in July, the dashing Jubal Early had appeared in front of Washington, and it looked for a tense moment as if the National Capital itself might fall. A few days later a Federal attempt to break through the defense of Richmond failed disastrously.

Bear in mind what I said a moment ago, that the retreat of the Union had been for months definitely stopped and that the advance was already in progress. But the strain had been so long and so heavy that the Nation could not realize what had happened. The wave of discouragement that swept over the country in the summer of 1864 was so extreme that on August 23, Lincoln prepared his famous secret memorandum: "This morning," he wrote, "as for some days past, it seems exceedingly probable that this administration will not be re-

elected. Then it will be my duty to so cooperate with the President-elect as to save the Union between the election and the inauguration, as he will have secured his election on such ground that he cannot possibly save it afterwards."

Six days later the Democratic National Convention met at Chicago and declared in its platform "as the sense of the American people, that after 4 years of failure to restore the Union by the experiment of war . . . justice, humanity, liberty, and the public welfare demand that immediate efforts be made for a cessation of hostilities." On that platform, with its appeal to discouragement, discontent, and suffering, the Democratic Convention nominated General George B. McClellan of New York for President.

But events marched rapidly. The grand strategy of the general advance, for which the foundation had been laid in the previous 12 months, began to bear fruit. After the gloomy summer of 1864 success attended the Union arms on every front. Sherman captured Atlanta on September 2 and began his march to the sea. Sheridan routed Early at Cedar Creek in October. The President was reelected in November. Thomas destroyed Hood at Nashville in December, and the following April came Appomattox Court House and the end of the war.

The transformation from apparent stalemate to overwhelming victory may have seemed amazing to many people at that time. But if it seemed amazing, it was only because people did not understand how well the foundation had been laid in the dark days that preceded and how effectively the strategy had been planned.

I believe this brief outline of the progress of events in a crisis that confronted a previous generation may help us to a juster appreciation of what has happened in the years just past and what is happening today.

In 1860, as in 1929, the country was unexpectedly faced with a great calamity. Then, as now, the disruptive forces gathered strength and for a time their progress seemed irresistible. Then, as now, the resources of the Nation were mobilized and organized in a campaign that finally ended the initial retreat. Then, as now, advances began here and there, so coordinated as to lead to the final triumph. But then, as now, the

Nation had undergone such a strain, it was reeling under so many blows that even after the advance had begun many failed to realize what had happened.

Today our opponents are declaring in their platform, in words strangely reminiscent of those used by their predecessors in Chicago 68 years ago, that the struggle of this administration against the depression has been a failure and that "the only hope of improving present conditions"—I quote from the present Democratic platform—"lies in a drastic change in economic governmental policies." So in 1864 the Democrats declared that "after 4 years of failure to restore the Union by the experiment of war"—again I am quoting from their platform—"that immediate efforts be made for a cessation of hostilities." So again today, as in 1864, in the midst of a great war, they call for a change of leadership and of policies at Washington.

In spite of the hardships, privations, and other difficulties of the time, the Nation in 1864 refused to be swerved from a course that had turned the retreat into an advance. It supported the policies whose value had been tested under the fiery strain of the struggle. By its election mandate it directed those to whom it had intrusted leadership to go forward with the campaign strategy whose results already were in evidence. It declined emphatically to turn aside to untried policies and experimental leadership.

The same alternatives are before the country today that lay before it in that momentous campaign of nearly three-quarters of a century ago. The choice that the American people made in 1864 was made on November 8. The choice they are called to make in 1932 will be made on November 8 likewise. My fellow citizens, can we doubt what that choice will be?

Men and women—and I include women because they bore then as they do now a large part of the burdens of that struggle—the support of that strategy and that leadership which preserved the Union came from the constancy of the Republican Party in its refusal to be diverted from the leadership which it had given at that time and the leadership which it has given in the last 4 years to the solution of a great national crisis.

The turn in the tide of the Civil War was made at Gettysburg. The turn in the tide in this crisis was made in the last winter, and just as after Gettysburg long months of continual battle were required to bring about the saving of the Union, in the same manner we must continue to fight today to recover our prosperity and to preserve the social and political principles for which Abraham Lincoln stood.

NOTE: The President spoke at 3:30 p.m. to an audience of 7,500 people assembled in the Springfield Arsenal. The Columbia Broadcasting System and the National Broadcasting Company radio networks carried the address.

378

Address in St. Louis, Missouri.

November 4, 1932

My fellow citizens:

From the congressional elections in 1930 down to the present moment the strategy of the Democratic Party has been an effort to implant in the unthinking mind through deliberate misrepresentation the colossal falsehood that the Republican Party is responsible for this worldwide catastrophe. They appealed then to distress, hardship, and radicalism by nebular and inconsistent promises. These are the reasons they give why the Republicans of the country should desert their party, and why the Nation should abandon a constructive program with its accomplishment already demonstrated in overcoming this crisis. Theirs is not a campaign of issues; it is a campaign of avoidances. I propose tonight to discuss the nature of their campaign, its false premises, its vague promises, its shifts of position, and I shall also touch upon their destructive actions which have delayed recovery of this country for months.

Despite the fact that Democratic leaders announced after the congressional elections 2 years ago that they would have a real program to end this depression, they produced no program, then as now, although the crisis at one time rose to a degree which endangered the whole Republic. Instead of a constructive program, the Democratic leaders

passed a number of bills through the Democratic House of Representatives designed to appeal to discontent and sectional cupidity and indeed of the type that would have destroyed the very foundations of our American system. Its threats to confidence set recovery backward. Their candidates have sought constantly to distort the facts as to the depression; they have sought to minimize the measures by which the administration saved the United States from a generation of chaos. They fail ever to mention the effect that these measures are having day by day in the steady recuperation of our economic life. Their leaders have taken no patriotic satisfaction in the fact that a million men have returned to work since the malign influence of the Democratic House and their allies was removed by adjournment of Congress, and the Republican measures and policies had an opportunity to act. No one of them has mentioned that men are returning to work at the rate of half a million a month.

The whole campaign has many aspects parallel with a campaign which took place in a former depression, of which I will read you a short description from a journal published in Washington during that time. That journal said more than half a century ago, and I quote:

“The circumstances on which the Democratic Party base their hope of success in the present campaign is unquestionably the hardness of the times. Their expectation is that Republican voters will quit their party or at least remain at home on election day because they find themselves in straitened circumstances. Even the ravages of the grasshoppers, damages to the crops by drought in some sections and excessive moisture in others are to be traced by some mysterious process to the maladministration of the Republican Party.”

Later on that journal reviews the discussion of expenditures of the Republican administration during the period of depression and pointed out that the House of Representatives was Democratic at that time as it has been during the last year. It stated:

“There had rarely been such ignorance joined with a stubbornness more mulish than that which characterized the action of some of the leaders of that body.”

And it continues:

"Their economy was of the brilliant description which consists in saving at the spigot and losing at the bung."

They likewise today repeat their promises of economy in the face of the attempts of the Democratic House last winter to fasten \$3,400 million of added expenditures upon the Federal Government. The country wisely supported the Republican Party in that election of over a half a century ago, and it promptly made progress.

A circular placed in my hands since coming to this State, issued by the Democratic National Committee, says this depression was man-made. I agree with that, but they say the man who made it was myself personally. They express no gratitude that in my manufacture of this world crisis I have let this country off easier than Russia or Western Europe or South America.

In this campaign of 1932, also despite overwhelming proof to the contrary, but in order to make unceasing appeal to discontent, the present Democratic candidate and his corps of orators repeat down to the last 24 hours their unceasing statement that the Republicans made this depression and all that has happened in it.

Now, in the earlier part of this campaign the Democratic candidate held up the horrors of the Hawley-Smoot tariff act and of the stock market boom as being the sole causes of this world catastrophe. At Des Moines and at Detroit and Indianapolis I frequently established the complete absurdity of his tariff bill argument, and the Governor has since, at Wheeling, Baltimore, and Boston, uttered such confused thoughts in his tariff views that he can no longer consistently or conscientiously state that the tariff had anything to do with the worldwide catastrophe. If he would make his contradictory statements on the tariff consistent, it will have the disastrous political effect of requiring the deletion, so my statisticians tell me, of over 10,000 eloquent words from what has been said during this campaign. In order to continue the false premise on which the Democratic campaign continues to be based—that is, that the Republican Party brought on the depression—he is now thrust back, as his sole remaining explanation, to the boom of 1928. He argues now that if there had never been a boom there never would have

been a slump, and if there never had been a slump in the United States, there would never have been a depression in the world.

Now, if by maintaining the prosperity of this country over a long period of years the people did become so overconfident of the future and thus overoptimistic, the Republican Party might be praised at least for that long period of prosperity. It was a bad outbreak of overoptimism and overconfidence. The collapse of the boom brought about great losses and great suffering, but I submit that some of the greatest leaders amongst the boom promoters of that period belonged to the Democratic Party, and the Democratic candidate himself assisted actually in promotions during that period which he now so warmly denounces. I do not criticize his acts. They were honest formations of concern. He was merely participating in the prevailing mood, like the former Democratic candidate who undertook the construction of the tallest building in the world in the same boomtown.

Of more importance, the Governor in his speeches conveys the impression that as President I should have stopped the boom. He does not describe the method by which I should have stopped it. Of course there is no constitutional nor statutory authority to Presidents to stop booms. If the President had attempted to stop that boom, one of the persons that he would have needed to warn is the present Democratic candidate.

Now, the only way I can see that a President could even tilt with a boom would be to turn himself personally into a blue sky law and go on the stump analyzing balance sheets and stock market prices and proving to the people that their investments were wrong. Now, I have little taste for this proposal that the White House should be turned into a stock tipster's office. I earnestly object to the idea that such a form of dictatorship should ever be set up over the American people, even if they do get overoptimistic. It may lead in directions for which this Republic would be mighty sorry. Even the Democratic platform does not seem to accord with the Governor, for it says: "We condemn the actions of high public officials designed to influence stock market prices."

Now, this same sort of reasoning led the Governor to propose in this city that the Presidential influence should be used in municipal finance. He said: "If necessary they must be compelled to walk in the way of

municipal honesty and efficiency,” and he added: “This is what I propose to do toward the credit represented by the 17 billions of municipal bonds.” It occurs to me that we should need to revise our whole form of government and the Constitution of the United States in a dozen places if the President of the United States is to supervise municipalities and mayors.

The Governor seems to have some idea of creating a Federal blue sky law to prevent booms and control the issue of all sorts of securities. I am not disputing that many securities are issued which are dishonest and over which there should be a control. But, the full constitutional authority for that sort of action rests, of course, in the States, and I am advised that this is not within the constitutional authority of the Federal Government. In any event, even if it were, I doubt whether the people in any State in the Union would like to have another board in Washington, distant from their own close inspection and understanding, dealing out certificates as to issue of securities and thus controlling the industries of their States. In any event, his plan would be centralization of government beyond anything we have hitherto witnessed and does not seem to accord with the forgotten Democratic theory of State rights. All this has been within the power of the State of New York not only to protect its own citizens but the citizens of other States, and the Governor seems to have forgotten it until this campaign.

Many years ago the Democratic Party undertook to remedy this whole question of booms and slumps by the creation of the Federal Reserve System. We have been afflicted with 15 of them in a century. They do bring disaster and hardship, and they ought to be remedied. But their new discovery was that, far from wanting the President to do this job, they should set up an agency and in it stipulate that the board alone should have powers entirely independent of the President, and they further made the board entirely bipartisan.

Now, it was indeed promised by Democratic leaders at the time the Federal Reserve System was created that they had found the solution to prevent booms, slumps, and panics. I could quote from a multitude of speeches of the day of the passage of the act, and further from

the assurance given in political campaigns as to this enormous accomplishment of their party.

I find in speeches of President Wilson, Secretary McAdoo, Senator Carter Glass, and other leaders, the recurrent idea that through the control of interest rates and other authorities the Federal Reserve System could prevent booms and consequently slumps and panics.

A few of their expressions ought to be of interest. Among them they said:

"We shall have no more financial panics."

"Panics are impossible."

"Businessmen can now proceed in perfect confidence that they will no longer put their property in peril."

"Now the businessman may work out his destiny without living in terror of panic and hard times."

"Panics in the future are unthinkable."

"Never again can panic come to the American people."

And I will not weary you with more quotations.

The whole country went along for years with much confidence in these statements and, although no one can say with certainty, it is likely that this confidence contributed to the building up of the boom which led to the crash.

The Governor will discover his errors in connection with the responsibilities for this boom if he will examine its relation to the Federal Reserve System. That System did loyally endeavor to restrain speculation. Many months before the collapse, it issued warnings to the banks about loaning money for speculative purposes, and it gave these warnings to the public. It placed restrictions on rediscounts, and they did force up the interest rate for speculative money to 15 and even to 20 percent. But that did not stop the mania for speculation. I do not criticize the Federal Reserve System. I believe in it. All the point I make is that using its utmost powers it failed in the face of a great mass movement—public psychology. Now the blame is to be transferred to the Republican Party for having failed to do the job which they promised would be done by the panacea of their own institution.

I could go further with this argument of futility by pointing out

that the leading Democrats did not discover the Republican responsibility for this depression until it reached the vote-getting stage. Governor Smith, 2 years ago, implied that neither he nor any man takes the position of placing the responsibility for the business depression on either the President or the Republican Party. And Governor Roosevelt, before he was nominated, made a characteristically vague statement of much the same character.

The Democratic candidate, in a recent speech defending his boom argument, said that when our boom collapsed all but 20 percent of the people of the world were in a state of high prosperity. If he will examine carefully a statement of the National Bureau of Economic Research, whose authority no one denies, he will find that the booms of the following nations had already collapsed: Germany, Australia, Japan, Mexico, Turkey, Rumania, Bolivia, Brazil, India, Poland, and Bulgaria, embracing 600 million people, and that coincidentally 11 other nations had been affected by the collapses I have mentioned—that is, the United States, the United Kingdom, Canada, Hungary, Italy, Argentina, South Africa, Czechoslovakia, Austria, Peru, Belgium, the Netherlands, and Spain, had all declined. If he will check up the portion of the world included in these nations, he will find he has been misinformed about 300 percent.

As a matter of fact, if the Democratic candidate actually wants to make a point of the boom question and if he wants to put the true causes of this situation before the American people, he should withdraw all this multitude of conflicting, confusing, and misleading statements and disclose to the American people that the most tremendous fact in modern history was the Great War and its aftermath. It would be only fair to point out that the difficulties we are now struggling with even within the United States consist to a large degree in the tremendous increase of our public debt, our foreign war debts, the liquidation of war inflation, the necessity to maintain a larger army and navy to protect ourselves in a greatly disturbed world. This war having come on during a Democratic administration, and they having spent the money, they should not have forgotten that the undertakings of that period are what create a multitude of the difficulties

of this country today. If they would find the foundations of statesmanship, they ought to frankly recognize the problem with which the American people are faced. They should not be appealing to discontent on a basis of ignorance and of their full participation in the real causes. If they wish to find solutions for the guidance of the American people through these times, they should not continue to ignore these great burdens imposed upon the United States nor the effect on the world, ourselves included, by the enormous blotting out of lives in foreign nations by the World War, the fabulous waste of their property, the fabulous increase of their debts, the fabulous increase of armaments, the continued friction and hate that have arisen among them out of harsh treaties.

The Democratic candidate should not continue to ignore the panics which overtook these nations when their citizens recognized the fact that all property and material wealth must be readjusted in values from the consequences of the war. He should not overlook the frantic attempts of their governments to reduce the expenditures of their people by reducing the import of goods; the scramble of their citizens to turn what property they could into gold; the ultimate results in dictatorships and upsets in governments. He should not continue to ignore the effect of these things upon the United States and the dangers which so accumulated that we became the last fortress of world economic stability, and at one moment we held even that by the narrowest of margins. He should recognize the effect of the stoppage of the import of goods by these governments, not out of tariff reprisals to the Hawley-Smoot bill, but out of their public necessity.

He should recognize the effect upon our credit system of the foreign withdrawal of \$2,400 million in credit and gold from the United States in less than 14 months. He should recognize the fears which these events produced in our own citizens, causing them to draw out \$1,600 million and put it into hoarding. And he should cease to ignore the fact that we were faced with a crisis of such dimensions that unless strong action had been taken in the passage of a bill for which Democratic Members of Congress voted, with the full knowledge of the facts, we could not have held the gold standard in the United States. And

he should recognize that unless we had taken other strong and unprecedented measures we could not have prevented the collapse of our insurance companies, our banks, the foreclosures on millions of homes and farms, the strangulation of credit which would have brought about almost total unemployment.

It is true the Democratic Members voted for these measures of giving increased authority to the Federal Reserve System, of creating the Reconstruction Corporation, of support of mortgage banks. I admire their patriotism, and I have expressed it always. But if they did it without a knowledge of the facts of which they now appear to be so innocent, they are an easier group to persuade into legislation than I have hitherto met. They now fail to admit that these measures which we have put into motion have begun to bring about stability and prosperity in the United States, of which there is need of but one word more of proof. That is that since the adjournment of the Democratic House of Representatives and their allies last July down to this moment, over 1 million men have gone back to their normal jobs. They are going back at the rate of 500,000 a month unless they are interrupted by a change in these policies.

Now all of this statement that I have given to you has importance in four respects: first, because it proves the falsity of the foundation of their campaign; second, because it shows their utter confusion of mind, and either their insincerity or their utter lack of grasp of the forces loose in the world, and consequently the danger of placing men who have such a lack of penetration into the control of the Government of 120 million American people; third, because the continuous broadcasting of misinformation, although it is daily of conflicting character, as to where this calamity came from, indicates an irresponsibility which does not promise well for the Government of these same 120 million people; fourth, because they, as a responsible political party, should cease to appeal to unthinking people for votes based upon their suffering by misleading them as to its causes.

Having again disposed of the futile misrepresentations and evasions of the origins of this depression and the false basis of their appeal, I shall now consider some of their other evasions which have developed

in the campaign. The Democratic candidate in his speech of acceptance says he will leave no doubt or ambiguity as to where he stands on any question of moment now before the country.

Notwithstanding this disarming promise, the people are still unable to find the method by which he will execute his six-point program for farm relief. It is one of the great mysteries of this campaign. It is a certainty that there will be six doors of exit from this attractive house, although he refuses to disclose the other specifications, and the walls have not yet been built.

The people have yet to learn what he proposes to do in respect to the soldiers' bonus. He seems to think that a cash sum of \$2,300 million to be paid 13 years hence is no different from cash today, but he says that he intends it should be paid when there is a surplus in the Treasury with which to pay it. That means a surplus of \$2,300 million. I assure the veterans of the World War that so long as there is a Democratic Congress there never will be a surplus of \$2,300 million.

The people deserve to know more of his promise to take \$1 billion off the expenditures of Federal Government, and before they can even start figuring on this question they must know whether he repudiates the Democratic proposals for \$3½ million additional expenditures which were passed by the House of Representatives in the last session of Congress. Does he repudiate the pork barrel and other expenditure bills?

Now, the people deserve to know why, even at this late date, the Democratic candidate has not disavowed the bill passed by the Democratic House of Representatives to issue more than \$2 billion of green-back currency, which bill, so far as Mr. Garner is concerned, remains upon the calendar as unfinished business of the Democratic House.

The people deserve to know why he has not yet stated his position on the proposal to put the Government into personal banking, as provided in the bill passed by the last House of Representatives and in fact by the entire Congress under Mr. Garner's leadership, which I vetoed.

The people deserve to know his views on the rubber dollar pro-

vided for in the last session and passed by the last House of Representatives.

The people deserve to know what all his phrases and reservations about the Hawley-Smoot protective tariff really mean. He condemns it on every occasion. He gives 100 percent support to the competitive tariff for revenue. He gives nebular implications in such speeches as those at Wheeling, Baltimore, and Boston, that he will protect certain groups. Now the tariff is composed of different schedules. If he is sufficiently informed on the tariff law to debate its merits, he must be sufficiently informed to say at once which schedules are too high and which are too low. If he will do so, we will at once have them examined by the Tariff Commission as to the truth of his assertions, and we can afford quick remedy if his facts are correct. His only answer seems to be that he would do away with the Tariff Commission.

Now, the people deserve to know whether, as he has proposed to negotiate reciprocal tariffs, he will omit the agricultural commodities from these agreements.

The people deserve to know whether the Democratic State Committee of Oklahoma has the authority of the Democratic leaders for their promise to the people of that State to secure Federal legislation which will pour into that State \$150 million for liquidation of long-since repudiated Indian claims at the expense of the Federal taxpayer.

The American farmer deserves to know whether he is going to withdraw the Shearon letter ¹—that is the proposal circulated amongst our unemployed to vastly expand reclamation land and thereby increase their surpluses despite the assurances given in another public statement that these surpluses must be reduced.

The people deserve to know whether he will support or repudiate Messrs. Wheeler, Norris, Huey Long, W. R. Hearst, and others, in their long-continued efforts to put the Government into large business undertakings.

The people deserve to know more details on the promise set out in the Shearon letter that the whole of the unemployed in the United States will be at once given jobs by the Government.

¹ See Item 347, page 588.

Are the people to assume that he does or does not endorse the system of national doles advocated in Congress by his present supporter, Senator La Follette of Wisconsin?

The people deserve to know whether he has accepted the proposal of his supporter, William R. Hearst, for a \$5 billion bond issue for non-productive public works to be paid for out of the Public Treasury by the taxpayer.

They deserve to know if he joins with the same William Randolph Hearst in his opposition to the Disarmament Conference now in progress. Does he join with Mr. Hearst in his opposition to the promotion of peace by the Kellogg Pact?

The people ought to know if he still holds to his promise to solve the foreign debt problem by permitting foreign nations to sell goods in this country with which to pay sums owed our Government. In other words, are we, by giving up part of our market at the expense of our own workmen and our farmers, to furnish our debtors with profits necessary to make payments to us?

He has been very emphatic on the provision of distress relief. That is also perfectly safe because the Government has provided for loans to the States in need of help to provide them with such relief.

Now, the evasions and misleading character of the campaign of the Democratic Party are not less evident in their program for dealing with the 18th amendment than in the other questions they have discussed. They know that their own Democratic strongholds in the South, if no other, will not accept the proposal for outright repeal of the 18th amendment, with the consequent return of the saloon, and its resultant lack of protection of the dry States.

I have stated in my acceptance speech what I believe is the only practical common ground with adequate protection on which this whole question can reach solution. That statement was the result of 3 years of intensive study and the responsibility of experience with the problem. It was delivered to probably the largest audience of the radio and press ever gathered together in the United States. It is known to you. It is a matter of public record.

Our Democratic opponents are trying to make another false issue

over supposed coercion of voters by employers. In the first place, the ballot in the United States is secret, and no one can coerce a voter—except a political machine. In the second place, the interest of employer and employee is identical in securing business on which they mutually live. The Republican employer has the same right to publicly express his opinion on this election as has the Democratic employer and the Democratic orator.

Now, it is with sadness that I see attempts to mislead the people and avoid the real issues of the hour which demands a campaign of the most serious order.

I do not have the time tonight to present the whole great constructive measures of the administration by which we defended the American people from acute danger of a generation of chaos out of this world disaster. These measures are now placing us upon the road to recovery. They are vast and complicated. I think perhaps I can best illustrate the working of two of them—two out of scores—by short examples.

I would like to have you picture a group of gentlemen sitting in the board room of the Federal Reserve bank in one of our important cities 1,000 miles from Washington. Another similar group is seated in the board room of another Federal Reserve bank in a city some 200 miles from Washington. A group of advisers is seated with the President of the United States. Both of the city groups included Governors of the Federal Reserve banks, Directors of the Reconstruction Corporation, together with the leading bankers and merchants of those two cities, embracing men of both political parties. It was Sunday afternoon, and all had been summoned on a few moments' notice to meet a grave emergency. These three groups were continuously in communication by long distance telephone.

During the preceding week there had been a general run upon the banks in one of these important cities. Through Saturday evening and Sunday, panic increased and began to spread like a contagion to the whole district.

The banks were under heavy pressure because of the frightened depositors and the inability of the banks in the midst of the crisis to make a quick sale of their long-term securities without such tremendous sac-

rifice as to imperil all of their depositors or in turn to force the payment of notes of an army of borrowers without in turn forcing them to sell their homes and business at half price. It was found that one of the banks in one of these great cities had been weakened more than the others by these panic-stricken depositors. Without assistance, that bank would be unable to open on the following Monday morning. The failure of that bank to continue business would have added to the panic which threatened to bring down other banks in that city and spread in turn to other cities and involve many trust and insurance companies. The immediate problem was to provide before Monday morning a sufficient sum of money to quiet unreasoning fear and give absolute assurance that funds were available to pay every depositor in full without question.

In the course of inquiry upon the condition of the bank, it was found that they had ample securities which in normal times could have paid out their depositors with wide margins. But the securities could not be instantly sold at any price or at least at a price which would produce sufficient to pay all depositors, and they could not collect instantly from the noteholders. In the inquiry into the condition of that bank, it developed they had 122,000 depositors, of whom 105,000 were savings depositors; that the average of the savings deposits was only \$140 each; that many of them were workingmen and even children; that the safety of these depositors could not be separated from the other depositors of the bank.

It was found that there were 17,000 commercial depositors, most of whom were men and women engaged in small businesses, whose deposits represented the money necessary to meet their payrolls, the purchasing of their materials, and the discharge of obligations to others incurred in the course of their business. Jeopardy to them meant that many thousands of men and women in factories and stores would be discharged into untold hardship.

But these were not all of those that were dependent upon the maintenance of this bank. It was found that among the 17,000 commercial deposits 755 were country banks, the great majority of them in towns of less than 5,000 people. If this bank should fail, many of these country banks must also fall.

In the complex system of our economic life, things that on the surface seem unrelated are in fact under the surface inextricably tied together. A farmer in a small town in an agricultural State might feel no concern for the safety of this important bank in a great city. The widow with a small deposit in a small bank of a town of another State might know of no relationship between her bank and that city bank. But the farmer in one State and the widow in another, even though they did not know it, had a direct financial stake in the fate of that city bank. For the country banks must conduct business with the city banks in the ordinary course of trade, and they must carry their reserves with the city banks in order that they may draw interest upon them which they in turn pay to their depositors.

Now, it was found on examination that these 755 depositing banks had $6\frac{1}{2}$ million depositors scattered over 15 States, and that was not all. There were 21,000 other banks scattered through the country, which had deposits in the 755 banks depositing with this particular city bank, and in these 21,000 banks were over 20 million depositors, and they involved widows, orphans, workers, insurance companies, and merchants and manufacturers.

And in addition to all this, there was the position of the borrowers from all this mass of banks. If this city bank should fail, there must be immediate demand for the payment of the money due from its borrowers. If any of the banks dependent upon it should fail, their borrowers must in turn be compelled to make immediate payment of money due as it was due and to realize upon their property at a time when property could not be turned into cash at anything like its real value. Now, I will not tire you with these statistics, but they are important that our country should understand.

In this city bank and in the 755 banks which carried their reserve deposits in this city bank, there were 695,000 men and women and institutions owing money on their notes. They were scattered throughout the length and breadth of the land. They were on the farms, in the cities, the villages and hamlets. Most of all these groups of people were unaware of their danger. They were in their homes and in

their churches, concerned with their own affairs, but they were not being forgotten.

The men who had conducted this bank over great numbers of years were men of high esteem in the whole community. To their credit be it said that their chief concern was the preservation of these hundreds of thousands or millions of people from disaster. They were asking nothing for themselves.

The investigations and the conversations occupied many hours of continuous communication from these two cities to Washington and back again. Remember this was a Sunday, when the normal processes of business were difficult to conduct. Countless difficulties were encountered and solutions worked out. They were working against time.

Finally, at 3 hours after Sunday midnight, that task was completed. The assets had been valued by the examiners of the Reconstruction Corporation. The banks of the two cities joined in lending assistance, and the Reconstruction Corporation agreed to furnish a sufficient sum to assure that this bank could open without fear and meet every demand of its depositors.

At 10 o'clock on Monday all these banks opened for business as usual. Public announcement was made that ample funds were on hand to pay every depositor. As had been anticipated, immediately excitement and panic subsided and confidence was restored. The crowds melted away, and the deposits began to return. The situation was saved, not only in this bank, but in all of the other banks which had been subject to heavy withdrawals.

The loans offered by the cooperating banks and the Reconstruction Corporation were never fully called for and have since been largely repaid, and they will all be repaid. Every danger in connection with that episode is now over.

The central human figure of that bank was a man, known to you in St. Louis, who had served his country for 40 years in many high capacities—both in peace and in war—who in recent years had been absent from the country in a position of first importance to the American people.

That is the story of the Dawes bank in Chicago.

You know the use our political opponents have made of this incident all through the Midwest. They ignore the fact that General Dawes resigned from the Reconstruction Corporation 3 weeks before, on his first news that attacks were being made on the bank with which his name had long been associated. He resigned to try to save that bank without a call on the Reconstruction Corporation of which he had been a Director. He knew and appreciated the use that would be made in this campaign of such a calumny. He sought to avoid it. And you should know that when that Sunday morning meeting started, General Dawes stated that he could not bring himself to ask for assistance from the Corporation in which he had so lately been a Director and thus involve the President of the United States in criticism. But it was upon the insistence of the Democratic members of the Reconstruction Board, sitting in the Federal Reserve bank meeting at Chicago, and upon the insistence of the leading Democratic banker of Chicago, who was then mentioned as a candidate for the Presidency of the United States, and upon the insistence in New York City of the leading Democratic banker and a leading Democratic manufacturer, also mentioned for the Presidency; upon insistence of the other Democratic members of the Reconstruction Corporation as well as the Republicans that this was no case of personal feelings for General Dawes or the effect upon the campaign or this administration; that this was solely a case of national necessity, and those men then and there joined and offered to take the full responsibility for that action.

These men acted not because they were Democrats or Republicans but because they were loyal citizens of the United States. That situation required broad vision and comprehensive understanding of the problem, instant decision, bold and courageous action, and a human heart. Only by this was a major disaster averted. And I may tell you that not only were these loans adequately secured, but in the ordinary course of business they are being largely paid off.

The constant misrepresentation of this episode for political purposes by Democratic politicians is a slander upon men of their own party as well as a cruel injustice to General Dawes. It is a characteristic example of the character of this campaign. It is an insult to the American people

to substitute this sort of political agitation for competent discussion of the grave issues which lay today before our country.

And I may tell you that this is but one of six similar episodes in great financial centers in the United States, the direct result of the shocks and fears which we received from the collapse of Europe. But such action by our Government agencies has not been limited to great financial centers. In over 5,000 towns of populations under 25,000 the Reconstruction Corporation has had to intervene to save their banks under similar circumstances and thank God that day has gone by. At the height of this crisis they had to make loans to insurance companies with 15 million policyholders. They made loans to 736 building and loan associations with over 1½ million members. They made loans to several hundred farm and home mortgage companies, agricultural credit associations, livestock credit corporations—all of them for the purpose of preventing the loss of hundreds of thousands of homes and farms and the destruction of family life. The totals today aggregate millions of men and women who were not forgotten.

I have gone into this matter at such length to illustrate to you by actual example what the operation of the Reconstruction Corporation has meant. This is an example of the meaning of my oft-repeated phrase about the use by the Federal Government of the full power of its credit in time of great national emergency for the protection of millions of families and firesides.

The Democratic candidate for President has since the beginning of the campaign been going up and down the country characterizing the Reconstruction Corporation and maintaining that its actions have been for the benefit of large corporations and not for the benefit of the ordinary citizen. Can he honestly believe that in the incident I have described to you and in the countless similar cases, the action was taken for the benefit of the bank and not for the depositors and borrowers? When these loans have been repaid, there has been no benefit to the banks. There has been the preservation of the lives of millions of people.

[At this point, the transcript taken from a sound recording of the President's address ends. The following text is taken from the President's reading copy.]

If he does not so believe, then I say in all solemnity that his action in fostering a spirit of discontent in a political campaign by the use of erroneous information merits just condemnation.

One of his first utterances to this effect was immediately challenged by a prominent citizen of his own State, a former superintendent of banks, who addressed a letter to him setting forth the real facts and requesting a retraction. Weeks have now elapsed, and that request has been met only by silence upon the part of the candidate.

Now I wish to picture to you another episode in this supreme battle to protect the American people, the last fortress of stability in the world, but at the same time to extend a helping arm of assistance to another great nation.

In the latter part of May a year ago Ambassador Sackett made an emergency journey from Berlin to see me to present to me the desperate situation of the German people. His evidence showed that under the burden of unbearable debts and the cost of war, that great nation was rapidly disintegrating and the people desperately discouraged. They had made a courageous effort to meet these obligations, but their discharge was inexorably undermining their whole economic and social structure. In desperation, those who had fought manfully to comply with the obligations imposed upon them had lost all heart for the future and were steadily coming to the conclusion that nothing short of a revolution such as that which had taken place in Russia offered them any hope of deliverance.

Moved by the Ambassador's picture of what was happening to the common run of men and women in that country, I took up that problem, not alone from the interest of this great mass of humanity, but knowing that, if that nation should fall, the reactions upon the rest of the world and the United States would be irreparable. President von Hindenburg, knowing of Mr. Sackett's visit, sent me an appeal of a character between heads of nations without precedent in diplomatic history. That appeal was for preservation of a great people that I should use the good offices and prestige of the United States for their rescue.

In order to give a year in which the world, particularly European nations, could come to a comprehension of what this disintegration was

doing to civilization itself, I proposed the postponement of all international debts for 1 year.

This was not easy to accomplish. The bitterness of war hates and nationalism, still rampant in Europe, made its acceptance doubtful. In order to make sure that it would be accepted in our country I interviewed the leaders of both Republican and Democratic parties, and upon display to them of what was transpiring, secured their approval in sufficient number to assure that we could complete the measure on our side. I then resolved upon a bold course. I published the proposal within 24 hours after communications to the other countries in order that politicians of the world might not thwart it through processes of diplomacy.

Immediately after this act, for the first time in the history of the world, I made personal, hourly use of the newly installed transatlantic telephone and talked with our ambassadors in the presence of the leaders of the nations. I received wholehearted and immediate response from Signor Mussolini of Italy; the same sympathetic response from the Prime Minister of Great Britain. Furthermore, the Governments of Belgium and Poland, which you might think would have retained more bitterness from the war than any other nations, responded instantly.

The arrangements were not easy, as existing contracts were complicated in their relationships between many nations, and they involved unequal sacrifices. Day after day, night after night, I was in communication with first one ambassador and then another, proposing methods to meet difficulties which arose, building up adjustments among different nations, until finally that year of postponement was secured.

And it was not merely a postponement of a year in the payments on debts for which I was seeking. I was seeking for a year in which Europe could solemnly consider the situation into which she was drifting. I was seeking to remove from the mind of the world the fears of debacle in civilization which were breaking down all security of credit, and to bring to their attention the healing powers of international cooperation.

You yourselves are familiar with the history of the year which followed. I know that the proposal of the moratorium diverted the entire

current of thought and changed the history of what otherwise would have been a tragedy to the whole of civilization. It brought to new understanding the realization of the burdens under which Germany has been laboring.

Under the impulses of these agreements and the recognition at least of the peril in which they stood, there came out of this agreement a great measure of redemption to the German people, a sense of greater security to the world from the agreements at Lausanne.

That agreement and the human sympathies which were evoked by that new understanding of the postwar difficulties in the world have served greatly in the healing of the wounds of the Great War.

There lie in many events of the last 3 years great dramas, great tragedies. I have told of but two of them. But, overriding all these incidents, the world has witnessed the courage of men and the willingness to place their fate and their political future at stake for the world's progress. No man can go through these episodes without belief that there is a great regeneration in the courage, confidence, and intelligence of men for the guidance of this world back toward stability and common interest in the development of human welfare.

NOTE: The President spoke at 8 p.m. to an estimated 11,000 people assembled in the St. Louis Coliseum. Due to a late start, only a part of the address was carried by the National Broadcasting Company and Columbia Broadcasting System radio networks.

In his address the President referred to Alfred E. Smith, former Governor of New York; John Nance Garner, Democratic Vice-Presidential candidate; Senators Burton K. Wheeler, George W. Norris, and Robert M. La Follette; and Charles G. Dawes and Frederic M. Sackett.

The major portion of the above text is a transcript taken from a sound recording of the address.

379

Rear Platform and Other Informal Remarks
in Illinois and Wisconsin.

November 5, 1932

[1.] FREEPORT, ILLINOIS (Rear platform, 6:45 a.m.)

I am afraid you are going to have to let me off from delivering a speech. I used my voice pretty much last night, and I am going to have to use it again tonight. But I do want to express my appreciation to you for this greeting. It is generous. It indicates that you get up powerful early in the morning, but what is more, it indicates what you are likely to do on the 8th day of November, which is more important.

[2.] ROCKFORD, ILLINOIS (Rear platform, 8:30 a.m.)

You will realize that an occasion of this sort is not one on which one can go far into national issues. You will also realize that it is rather difficult on one's voice to be making public addresses at night and still talk outdoors in the daytime. Nevertheless, I would like to remind you of one national issue that is of vital importance to you, and that is that a long series of unprecedented steps and measures have been taken by this administration to protect this country from the catastrophe that swept over this country from Europe; that these measures have begun to show their vitality and their results; that since the adjournment of the Democratic House of Representatives they have had a fair chance and during these last 4 months clearly show the reemployment of nearly 1 million men, and they are going back at the rate of 500,000 a month. The reemployment of these men adds to the market for the farmer, and thereby we shall see the restoration of this economic machine of ours, provided that it is not interrupted on the 8th day of November.

There is one other issue that is of vital importance to Rockford, and that is the continued maintenance of the protective tariff. The tariff is being greatly undermined through the falling currencies of Europe. These currencies have fallen through the catastrophies which

have come to those countries, with which the United States has had no relation. It has decreased their cost of living and their wages, which makes it more difficult for American manufacturers and workmen to maintain their standards of living and wages.

And our Democratic opponents, in the face of the actual decrease in currency that is going on today through these causes, now propose to further reduce the tariff. Already two or three plants in different parts of the country have closed down because of this competition. We have set up through the Tariff Commission a method of remedy. We are proceeding as rapidly as possible toward that remedy. Our opponents propose to destroy the Tariff Commission. In other words, they cannot use information in the West with regard to the tariff which differs from the information which they use in the East.

I thank you for your reception. It is encouraging, and I am deeply touched by it.

[3.] BELVIDERE, ILLINOIS (Rear platform, 9:35 a.m.)

I always find it difficult to formulate the phrases that express the gratitude which I feel for these receptions. They are encouraging to continue this fight, and they are an evidence of the support which you are going to give to us on the 8th day of November.

Every one of you has an interest in this election that is an interest to you personally. You have in this city an interest in the maintenance of the protective tariff. Your manufactures here are all of them protected, and the jobs of the men in the factories here are protected through the tariff. We have not only to meet today the normal competition of the world with our manufactures, but we have to meet, as the result of the cataclysm which has come over Europe, the effect of their depreciated currencies. Those currencies have lowered wages, lowered standards of living, and have made competition with you more severe than ever before in your history.

Our Democratic friends, in the face of these added difficulties, say they will lower the tariff and destroy the protection which you now have. They wish a competitive tariff for revenue only, and they are

asking you to undertake competition with the lower-paid labor of the world.

Not long ago I had a survey made as to the standards of living in different countries. We used as a common denominator the amount of bread and butter that could be purchased with a week's wages. We found that in Japan, which is now exporting to the United States large quantities of goods, that the Japanese workman could buy only one-eighth of the amount of bread and butter which you can buy with your present wage scale. That is the sort of competition which you are expected to meet in a competitive tariff for revenue only. Our party is not alone to maintain the protective tariff but to increase it wherever it may be necessary in order to maintain American workmen in their jobs.

You have many other things which interest you personally. Above all, the primary issue of this campaign is the measures which are to be continued for the recovery of the country from its unemployment and the distressing plight of its agriculture. The Republican administration has set up a long list of instrumentalities that are engaged in that purpose today, and they are succeeding since the adjournment of the Democratic House of Representatives. We have approximately 4 months to test out the efficacy of those measures, and during that time over 1 million men have been returned to their jobs. They are returning now at the rate of 500,000 a month. And it is in the restoration of employment that we shall secure the added markets and the added prices to our agriculture.

Now, I could go on and discuss national issues, but length of time does not permit. I do want to express to you my gratitude for your reception and the encouragement which you have given by your coming here this morning.

[4.] BELOIT, WISCONSIN (Rear platform, 10:25 a.m.)

My friends:

This is a great welcome and a great greeting from the State of Wisconsin. I thank you for it. It is a sign of what Wisconsin will do on the 8th day of November.

Now, this is not an occasion on which one can discuss national issues

at great length. I speak again in St. Paul tonight, and I hope that you may through the radio participate in that discussion.

I have long known of Beloit more through her college than through her larger activities. I live myself in a college town. For 40 years I have had association with their ideals and dreams, and I value them greatly, and I envy any citizen privileged to live in a community that has so much of a fermenting (?)¹ influence as a great college.

There are other matters of great interest to you in this campaign and in this forthcoming election. One of them is the protective tariff.

[At this point the train pulled out of the station without allowing the President to finish his remarks.]

[5.] MADISON, WISCONSIN (University of Wisconsin Fieldhouse, 12 noon)

It is a great pleasure to come to a city which has made itself famous by the contribution of a great university to the thought and leadership in modern life. My own home for 40 years has been on the campus of another great university, and I have valued to the highest degree the constant refreshment that has come to me from the idealism and dreams of youth who come to these institutions to fit themselves for this leadership in national life. I know your minds are alive to the great problems of our times, and that you are conscious of the new forces that have entered into the world and into our national life.

It is not my purpose to discuss at length with you economic issues. I would rather discuss with you those fundamentals for which America stands. These fundamentals are being tested daily in this the greatest peacetime crisis that has come to our country. We have builded a nation on certain conceptions of equality and personal freedom that are unique in the whole world. As a people we have sought a system that would give opportunity and stimulate each individual to his intellectual utmost, and by the accretion of the contributions to thus enrich national life and to produce progress and through the sum of them to produce a new intellectual standard for the world and the guarantee of a national progress that will be worth all we have poured into it. We have created

¹ The question mark appears in the original transcript.

political equalities. We have created equality for men at birth, equality of men before the law, and we have set the ideal of an equal opportunity for all men and women. However much it may have fallen short of the ideal, it is yet infinitely more advanced than that held up before men in any other nation in the world. By these social conceptions, by the form of government, there have been created and given to our people the opportunity of expression that has set new standards, created a unique society in the world.

A fundamental part of this equality of opportunity and the part in which the United States is unique and envied of all people is our system of universal free education, by which the child of the humblest farm may learn—from the alphabet to the Einstein theory—all that the mind of man has accumulated down the ages for his instruction and equipment to meet the battle of life. So zealous have we been to maintain this fundamental of an equal opportunity of men, and the sum of these accomplishments which produce the progress of the Nation, that it is not remarkable that, in the fullness of the freedom which we have protected, there has periodically appeared in our history its transformation into license, especially in the economic field and field of crime, which must be vigilantly restrained. Our fundamental purpose is the development of moral and spiritual growth and the strengthening of national ideals and national character. But in the restraints we have had to be constantly on guard that we do not stifle the intellectual opportunities and the initiative of men, for out of these flows the new strength upon which the Nation constantly feeds. We are, therefore, constantly confronted with the degree to which these restraints can be set up and still preserve that vital initiative and intellectual freedom which have elements of self-control which belong alone to self-government. On the other side we have to constantly guard lest in our restraints we regiment men instead of creating free men.

One of the very pertinent questions which arise out of this liberal license to men is the violation of law. Lawlessness and crime have unquestionably grown in our country. Some ascribe it to the too great license of individual liberty; some to the breaking down of moral

restraints due to the Great War; and some to prohibition and a hundred other causes. Some have urged that we must change the whole basis of our Federal system, and that we should place the burden of this restraint upon the Federal Government because of the failure of some States and some municipalities to give proper function to their own responsibilities. Yet this would be a destruction of State sovereignty and local responsibility, the destruction of individual responsibility, and make a nation of vassals through bureaucracy concentrated at a far distant point.

The responsibility for the control of crime rests emphatically upon the States and the local communities. Our civilization will rise no higher than the concepts of order that reside in the self-control of an educated people. I think you are all conscious of the humiliation that comes to our countrymen when the Federal Government must deliberately use the violation of income tax laws to collect gains on crime in order to curb these criminals who are uncontrolled, unprosecuted, and unconvicted by the States and municipalities.

I can discuss this subject with more heart in the State of Wisconsin than any other State in the Union, because you have recognized your responsibilities, and you have sought to preserve your people from the forms of crime which in other places dictate the very conduct of communities, and indicate a clear sense of responsibility and vigilance in your people.

The gangster life which has developed in some of our cities and some of our States is one of the most dangerous elements to the whole of our civilization. It would seem that with the opportunities that were given the Governor of New York, who is a candidate for the Presidency of the United States, he might have made a larger contribution in these last 3 years to the solution of the gang life in that State, under the great powers conferred and the obligations bestowed by the constitution and laws of his own State.

Now, for a moment on economic issues.

The workers in the great industries of Wisconsin, both agricultural and industrial, are peculiarly dependent for their standards of living as never before upon the maintenance of the protective tariff.

Dependent also is the fate of the small businessman upon the prosperity which must be thus protected. In the agricultural field I need only to refer to your great dairy industry where you lead the entire Union. Today its products, distressingly low as their prices are, would be 20 to 30 percent lower if it were not for the tariff wall which surrounds them. The consequence of the collapse of 30 foreign governments and the consequent depreciation of their currency, which means also the lowering of their wages and standards of living, are constantly endeavoring to make breaches in our tariff walls which [have] retard[ed] the recuperation in agriculture during the whole of these last 6 or 8 months. This has indeed grown to such a point of seriousness that you have need to consider, not the reduction of these tariffs which our Democratic opponents propose, but the strengthening of this wall of protection. Fortunately we have been able to thwart our opponents in their endeavor to destroy the independent authority of the Tariff Commission with its flexible potencies. We now have before that Commission a reconsideration of the necessities of this primary industry in your State.

Nor are your manufacturing industries less dependent upon it than your agricultural industries. Without the protective tariff, with the lowering of the tariffs which our opponents propose, you must be faced with an increasing unemployment instead of the steady march of recovery and of employment which are evident on every hand. We have passed, in the last 3 years, through the greatest crisis in our peacetime history. We have witnessed the economic crash of two-thirds of the world, and its repercussions have moved in upon our people in a manner which has at times endangered even our national stability. We have been the last fortress of strength in a crashing world. By the unprecedented measures, which we have taken we have prevented a chaos which might have extended over generations.

This battle of defense has now through these measures been turned into a great offensive for recovery. There was little opportunity for it to make itself felt in recovery until after the adjournment of Congress, with their constant destruction of confidence and spreading of fears from measures which were being presented to the American people

and passed by a Democratic House of Representatives. But in these 4 months since that time we have seen the return of 1 million men to work, and the records show that they are returning today at a rate of nearly half a million a month. Materially it is of the greatest importance to you and every American citizen that this great battle which is in progress on the whole economic front shall not be interrupted by the long delays which are proposed to you in order that there shall be a change in policies and strategies.

I have endeavored in the last month in the presentation of these and many other issues to appeal to the thoughtful people of the United States, and I accept your demonstration as evidence of the support which you are giving to me out of your conviction in this battle. I have made no endeavor to appeal to emotion, but I have made an endeavor to appeal to reason. I have fixed my faith upon the logical conclusions of a thoughtful people.

[6.] BARABOO, WISCONSIN (Rear platform, 1:45 p.m.)

My friends:

My chief recollection of this town comes from the fact that for many years it was the hometown of the Ringling Circus which I attended with great industry during my early life.

I wish to thank you for your greeting. It is heartening. It is encouraging to continue a fight for the fundamentals that have built up this Nation. It is encouraging to keep on with that fight until the last moment. And it is an evidence of your desire to see that the Republican Party is returned on the 8th day of November.

Many of you have radio sets. Many of you will be able to listen in this evening, and I hope to have something more to say about the problems that are before us and perhaps something to say about our opponents.

[7.] ELROY, WISCONSIN (Rear platform, 2:40 p.m.)

My friends:

We haven't long to stop on this occasion. It is not much of an opportunity to discuss national issues. I shall be on the radio again tonight

from St. Paul. Most of you have the opportunity to listen in and join in that discussion.

I do appreciate your coming down and giving me this greeting. It is very encouraging. It is helpful to carry on this fight. It is a sign of what you will do on the 8th day of November, and I thank you for it.

[8.] MERRILLAN, WISCONSIN (Rear platform, 4:25 p.m.)

My friends:

I do wish to express my appreciation for this greeting. It is a great encouragement in making a fight to find the people ready to come down and give you such a generous welcome as this, and it is also to me an indication of where your heart is going to lie on the 8th day of November.

Now, a stop like this is too short a time to discuss national issues. I am going to speak from St. Paul tonight, provided I can get the speech written in time. You will then have an opportunity to hear not only what this administration has been doing but something about what I think of our opponents.

I wish to thank you for this reception because it is a great encouragement.

[9.] EAU CLAIRE, WISCONSIN (Rear platform, 5:40 p.m.)

My friends:

It is very difficult for one to formulate phrases of the eloquent order that so generous and so cordial a reception as this would warrant in response. It is encouraging. It is inspiring, and it is stimulating in a great battle to know that there are so many devoted supporters to that cause. And it is a promise of what the action of Wisconsin will be on the 8th day of November.

This is not an occasion on which to discuss national issues. It is an occasion on which you may take a look at me, and it is an occasion in which I may have the great pleasure of meeting with you. Within a few hours I shall be speaking from St. Paul and from there try to traverse some more of our national problems and to express my opinions to you on some questions raised by the opposition party.

I cannot hope on this occasion to make a long address or a prolonged address. It is necessary, and I think you will be helpful to me, that I save my voice for the strains which it must encounter during the next 2 or 3 hours. But I do wish to express my appreciation for this manifestation of real friendship, and I thank you for it.

[10.] HUDSON, WISCONSIN (Rear platform, 7:10 p.m.)

My friends:

I want to express the appreciation I have for so tremendous a reception as this. It is heartening. It is a fine expression of your confidence. It is stimulating to continue this fight to the end. And it is an evidence of the action which you will take on the 8th day of November.

This is not a time to enter upon a discussion of national issues. Within a couple of hours, I shall be speaking over the radio from St. Paul, and there I will undertake to expound some of the views of the administration, some of our problems of the past, and hopes for the future. I probably will also make some comments on our opponents.

It is indeed difficult for me to express that gratitude I have for your coming to see me and for this reception. I thank you.

NOTE: Times provided for the President's remarks are approximations based on his itinerary.

380

Address in St. Paul, Minnesota.

November 5, 1932

IN THESE closing hours of the campaign I am conscious that the American people are summing up in their minds the candidates' statements, the issues, weighing the expositions of party policy, making their appraisals of party measures and of men, and thus preparing themselves individually for their final personal decision to be expressed by their ballots at the polls next Tuesday.

I stated a few days ago that the most important issue before the American people at this moment is to overcome this crisis. What

our people need is the restoration of their normal jobs and the recovery of agricultural prices and of business. They need help in the meantime to tide them over their difficulties in order that they may not suffer privation or lose their farms and homes.

There are other measures which concern the more distant future. We must not lose sight of them. But the great balance in which to weigh the two great political parties today is in their attitude toward this immediate problem, because in this attitude lies their philosophy of government, their ability to penetrate into causes, their capacity to meet emergency and to translate measures into action. And in these balances should also be weighed the question of honesty in presentation to the people of the facts so that they may formulate a proper judgment.

There is beyond this the common, everyday fact as to whether the present administration measures and policies now in action are accomplishing the purposes for which they were set out and therefore deserve ratification and retention by the people. There is also revealed in this accomplishment what we may hope for in the way of performance for the future.

Many of our hopes for the long-view development of our Nation have been interrupted by the necessity to devote our concentrated attention to the protection of the American people from the cataclysm which has swept over the world as the result of the aftermath of the World War.

Our opponents have endeavored to build a fantastic fiction as to the causes of these events in the last 3 years in order that they might blame the Republican Party for all the distress and disasters which have happened, not only in our country but in the rest of the world, and thus resort to the oldest trick of politics by stimulating a protest vote. That is playing politics with human misery, but in the pursuit of this misrepresentation they have demonstrated a total lack of understanding of the real situation with which the Government must deal if we are ever to find our way out of this depression. This narrowness of vision, this incapacity to reach to the heart of things, is a complete demonstration of their unfitness for the still gigantic task of leading the

Nation back to normal life and the resumption of its forward march of progress. They have deliberately avoided and decried the accumulation of strains which grew out of the Great War; they even ignore that such a war took place. They ignore the piling up of our national debt and the debts among combatant nations greater than the whole wealth of the United States.

They ignore the loss of the productive skill and intelligence of millions in Europe, blotted out by battle, disease, and starvation. They ignore the poison springs of political instability which lay in the treaties that closed the war, the fears and hates that have held armaments to double those before that time. They ignore the new nationalism of a score of small nations sprung from the war with all their own tariff walls and disturbances to old channels of trade. They ignore the ruinous government policies which fallaciously sought to build back to prosperity the impoverished countries of Europe by enlarged borrowing, by subsidizing industry and employment with taxes that sapped the savings upon which industry must be rejuvenated and commerce solidly built. Under these strains the financial systems of many foreign countries crashed one after another.

These blows struck at us through decreased world consumption of goods.

If we look back over the distress of these years we find that three-quarters of the population of the globe has suffered from the flames of revolution; many nations were subject to constant change and vacillation; others resorted to dictatorships and tyranny in desperate attempts to maintain some sort of social order. I ask you to compare that with the condition of the United States.

We are part of a world, the disturbance of whose remotest population affects our own financial system, our markets, our employment, and the prices of our farm products. And we have many problems of our own growing out of the Great War—the inflation of values during the war and the stupendous increase of our debt, the failure of foreign countries to respond to their debt obligations to us. Finally, with the desperate crisis abroad, the whole world scrambled to convert their property into gold and thus withdrew from us suddenly over \$2,400

million of exchange and gold. These fears spreading to our own citizens caused them to withdraw \$1,600 million in currency from circulation. The effect of this was to withdraw vast sums of gold from our own use, as we must protect the gold convertibility of our currency, with further repercussions of credit stringency, unemployment, and dropping prices. Yet we have protected our dollar and made it ring true on every counter in the world.

Our own economists overlooked one great fundamental factor—that while our own people consume 90 percent of their production, yet no one calculated the effect of worldwide fear upon our credit system and on the confidence of the Nation which thereby suddenly undermined our industry and commerce.

In the face of these gigantic, appalling worldwide forces our opponents set up the Hawley-Smoot tariff bill—changing as it did the tariffs on less than one-sixth of our own imports, one one-hundredth of the world's imports, and introduced long after the collapse started—as the cause of all this world catastrophe. What an unspeakable travesty upon reason this explanation is!

Suppose that we had never had the Hawley-Smoot tariff bill. Do you think for one moment that this crushing collapse in the structure of the world, these revolutions, these perils to civilization would not have happened and would not have reached into the United States?

And yet, in order to make a political campaign by which they can play upon discontent so that they could hope to create a protest vote, they are compelled to set up this travesty of argument. By this class appeal to the negative impulses of men they endeavor to lead them away from discussion of the actual measures which have been taken to meet the actual facts of the world situation, and to follow a mirage of miscellaneous vague hopes. They seek to lead them away from their realization that the restoration now begun should not be interrupted.

I would recall to you the unprecedented measures which we have introduced by which we have brought the full reserve powers of the Federal Government into action to save community values and protect every family and fireside so far as it was humanly possible from deterioration.

We have proved time and again in our history in actual war the altruism and patriotism of our people, the solidarity of their action toward a common objective. But in this war against the invisible forces, we have seen groups of men attempting to profiteer from the miseries of our people, both to increase their own fortunes and to increase their political strength. We have seen the very measures we have taken for defense of our people and reconstruction of recovery subjected to the cheapest of political misrepresentation. We have seen attempts of these same groups even in this national emergency to bring forth a philosophy of government which would destroy the whole American system on which we have builded the greatest Nation of a century and a half.

Indeed, this is the same philosophy of government which has poisoned all Europe. They have been the fumes of the witch's caldron which boiled in Russia and in its attenuated flavor spread over half of Europe, and would by many be introduced into the United States in an attempt to secure votes through protest of discontent against emergency conditions. We have had to meet such handicaps from our opponents both while meeting the first emergency which endangered the Nation and in the building of employment and agriculture.

I have enumerated at various times in this campaign the measures adopted by the Republican administration to meet this emergency. I have enumerated on several occasions our long-view policies to cement that recovery and to stimulate progress in our country for the future. I will take your time for just a moment to refresh your minds on the unprecedented measures adopted from the beginning of this depression. I will also refresh your minds on the measures, lack of measures, or destructive measures proposed by our opponents.

1. The first of our measures, which subsequently proved of great emergency service, was the revision of the tariff. By this act we gave protection to our agriculture from a world demoralization which would have been infinitely worse than anything we have suffered, and we prevented unemployment of millions of workmen.

2. We have secured extension of authority to the Tariff Commission by which the adjustments can be made to correct inequities in the tariff, and to make changes to meet economic tides and emergencies, thereby

avoiding the national disturbance of general revision of the tariff with all its greed and logrolling. That authority becomes of vital importance today in the face of depreciated currencies abroad.

3. At the outset of the depression we brought about an understanding between employers and employees that wages should be maintained. They were maintained until the cost of living had decreased and the profits had practically vanished. They are now the highest real wages in the world.

With the concurrent agreement of labor leaders at that time to minimize strikes, we have had a degree of social stability hitherto unknown in the history of any depression in our country. We have not once in this depression had Federal troops under arms to quell conflicts which is the first time in 15 depressions over a century. I cannot pay too high a tribute to the leaders of labor, leaders of industry, and our people in general, for their intelligent self-control and their devotion to the cause of order in time of stress.

Last night one of the eminent orators of the Democratic Party began his speech in New York by accusing the Republican Party of waging a campaign of fear, declaring that the success of the Republican Party at the polls next Tuesday might be followed by mob disturbances to public order. How does the gentleman explain the last 3 years of unparalleled social calm? Does he mean to charge that this magnificent body of self-disciplined citizens is suddenly overnight to become a mob? Or does he mean to imply that his party is the party of the mob? In either event does he mean that we must accept the threat of mob rule in the United States as a guide to our conduct on election day? Thank God, we still have some officials in Washington that can hold out against a mob.

4. An agreement to a spread of work where employers were compelled to reduce production was brought about in order that none might be deprived of all their living and all might participate in the existing jobs and thus give real aid to millions of families. There can be no greater service given by an industry to employees in these times.

5. We have mobilized throughout the country private charity and local and State support for the care of distress under which our women

and men have given such devoted service that the health of our country has actually improved.

6. By the expansion of State, municipal, and private construction work as an aid to employment, and by the development of an enlarged program of Federal construction which has been maintained at the rate of \$600 million a year throughout the depression, we have given support to hundreds of thousands of families.

7. By the negotiation of the German moratorium and the standstill agreements upon external debts of that country, we saved their people from a collapse that would have set a prairie fire and possibly have involved the whole of our civilization.

8. We created the National Credit Association by cooperation of the bankers of the country, with a capital of \$500 million which prevented the failure of a thousand banks with all the tragedies to their depositors and their borrowers.

9. By drastic reduction in the ordinary operating expenses of the Federal Government, together with the increasing of the revenues in the year 1932, we contributed to balancing the Federal budget and thus held impregnable the credit of the United States.

10. We created the Reconstruction Finance Corporation, originally with \$2 billion of resources, in order that, having maintained national credit, we should thrust the full resources of public credit behind private credit of the country and thus reestablish and maintain private enterprise in an unassailable position; that with this backing of the Federal credit, acting through existing institutions, we might protect depositors in savings banks, insurance policyholders, both lenders and borrowers in building and loan associations; through banking institutions expand the funds available for loans to merchants, manufacturers, farmers, and marketing associations; that we should protect the railways from receiverships in order that in turn railway securities in the great fiduciary institutions such as our insurance companies and savings banks might be protected and a score of millions saved from distress.

11. In addition to strengthening the capital of the Federal land banks by \$125 million we have, through the Reconstruction Corporation, made large loans to mortgage associations for the same purpose, and

lately we have organized all lending agencies into cooperative action to give the farmer who wants to make a fight for his home a chance to hold it from foreclosure.

12. We extended authorities under the Federal Reserve Act to protect beyond all question the gold standard of the United States and at the same time expand the credit in counteraction to the strangulation due to hoarding and foreign withdrawals of gold.

13. We created the home loan discount banks with direct and indirect resources of several hundred millions, also acting through existing institutions in such fashion as to mobilize the resources of building and loan associations and savings banks and other institutions, furnishing to them cheaper and longer-term capital, to give to them the ability to save homes from foreclosure, to furnish credit to create new homes, and expand employment.

14. We secured further authorities to the Reconstruction Corporation to assist in the earlier liquidation of deposits in closed banks in order that we might relieve distress to millions of depositors. Through Democratic opposition we failed to secure authority from Congress to carry this on a scale the country so sorely needs today.

15. We secured increased authorities to the Reconstruction Corporation to loan up to \$300 million to the States whose resources had been exhausted, to enable them to extend full relief to distress, and to prevent any hunger and cold in the United States over this winter.

16. We increased the resources to the Reconstruction Corporation by a further \$1,500 million for the undertaking of great public works which otherwise would have been delayed awaiting finance, due to the stringency of credit. These works are of a character which by their own earnings will enable disposal of the repayment of these loans without charge upon the taxpayer.

17. We have erected a new system of agricultural credit banks with indirect resources of \$300 million to reinforce the work of the intermediate credit banks and our other financing institutions in the financing of production and livestock loans to farmers. Any farmer now with sound security may go to them for aid.

18. We have extended the authority to the Reconstruction Corporation to make loans for financing the normal movement of agricultural commodities to markets both at home and abroad.

19. We have systematically mobilized banking and industry and business of the country with the cooperation of labor and agricultural leaders to attack the depression on every front. They have sought out and given assurance of credits to business and industry where employment would be increased, and have cooperated in relief of agricultural mortgage pressures.

20. We have developed, together with European nations, a world-wide economic conference with view to relieving pressure upon us from foreign countries, to increase their stability, to deal with the problems of silver, and to prevent recurrence of these calamities if it can be humanly done.

21. We have given American leadership in development of drastic reductions of armament in order to reduce our own expenditures by \$200 million a year and to increase the financial stability of foreign nations and, above all, to relieve the world of fear and political friction.

These are a part—not all—of the great and effective weapons with which we have fought the battle that has saved the American people from disaster and chaos. These weapons are still in action and advancing along the whole front to the restoration of recovery.

I would call your attention to certain economic and social backgrounds of all these instrumentalities, that they are so constructed as to act through existing agencies, to avoid competition of the Government with private enterprise and responsibilities. Their essence has been that of cooperation, so created that with the passage of this emergency they can be withdrawn, leaving our economic structure in its full strength and vitality. They represent the full use of the Federal power in time of emergency to protect the people. That is the reason for the social calm in the United States as contrasted with the riots in nearly every foreign country.

I recently enumerated at Detroit some of the evidences of recuperation of the country under these measures in so short a period as 4

months since the destruction of public confidence by the Democratic House of Representatives ceased.

I do not wish to weary you with statistics, but to show the validity of that progress I may mention that in employment over a million men have now returned to work during these 4 months. This is the estimate of our Government departments. The estimate of our employers places the number at a million and a half. Certainly we are now gaining a half million a month.

Last night I heard an evidence—an evidence of recuperation that is going on. The city of St. Louis had made application for a large sum from the Reconstruction Corporation with which to carry their destitute over the winter. I was informed yesterday that they asked that the application for that loan be cancelled as it was no longer required.

Production of boots and shoes amounted to 34 million pairs in October, the highest output for any month in the year and higher than the same month of the previous year.

Hoarded currency continues to return; imports of gold withdrawn by frightened European holders have continued to increase; deposits of banks continue to show steady expansion. In 4 months they have increased by nearly a billion dollars. This is money being put to work and an evidence of renewed confidence.

A further indication of the upward movement of industry lies in the increased demand for electrical power, which has increased by over 8 percent in the last 4 months. Every business index shows some progress somewhere in the Nation.

I do not want to say it in criticism, for there is no one more devoted to our form of government than myself, but there is one unfortunate incident in our system, and that is that a change of parties in power at the national election may come at a difficult moment. A change at this election must mean 4 whole months in which there can be no definition of national policy, during which time not only the commander of the forces in battle for economic recovery must be changed but the subordinate commanders as well. Following the period of delay and uncertainty, the opposition party will, as it has announced, call

a special session of Congress in order to validate their promises and their new deal. And whether these new policies be for better or worse, at least a year must elapse before they can emerge into action. The battle must stagnate at a time of its height, and recovery must inevitably be delayed.

And now in contrast with this constructive program of the Republican Party and this administration, I wish to develop for you the Democratic program to meet this depression as far as we have been able to find any definition to it. I would again call your attention to the fact that with the Democratic victory in congressional elections of 1930, their leaders promised to produce a program which would redeem this country from the depression. No such program was produced until we were well into the winter of 1932. Their program as developed under the leadership of Mr. Garner by the Democratic House of Representatives was:

1. They passed the Collier bill, providing for destruction of the Tariff Commission by reducing it again to a mere statistical body controlled by the Congress. Had they succeeded, the relief which you so sorely require from competition with countries of depreciated currencies would today be impossible.

2. They attempted to instruct me by legislation to call an international conference through which the aid of foreign nations would be requested to lower American tariffs, by which the independence of the United States in control of its domestic policies was to be placed in the hands of an international body.

3. They passed an act instructing me to negotiate reciprocal tariffs, the result of which could only be to deprive some locality of its tariff protection for the benefit of another, and by which the only possible agreements would involve the reduction of farm tariffs in order to build up markets for other goods. I might further suggest that the two largest export commodities in the country are in the hands of a gentleman who will control the next Congress.

4. They passed an omnibus pension bill with unworthy payments as an indication of their economical temper.

5. They passed an inadequate patchwork revenue bill, the injustices of which to different industries and groups must yet be remedied.

6. They passed Indian claims bills to reopen settlements 75 years old in order to favor certain localities at the expense of the Public Treasury.

7. They passed a bill instructing the Federal Reserve System and the Treasury to fix prices at averages prevailing during the years 1921 to 1929 by constantly shifting the volume of currency and credit and thus creation of every uncertainty to business and industry by a rubber dollar. This bill was stopped, but it has not been removed from their political calendar.

8. They defeated a large part of the national economy measure proposed by the administration by their refusal to accept our recommendation, by reduction of ordinary expenditures from \$250 million to less than \$50 million, a part of which we subsequently rescued in the Senate.

9. They passed the Garner-Rainey pork-barrel bill increasing expenditures by \$1,200 million for unnecessary nonproductive public works, purely for the benefit of favored localities. We stopped this bill, but it is still on their political calendar.

10. They passed the cash prepayment of the bonus calling for immediate expenditure of \$2,300 million and for actual increase in liabilities of the Federal Government over the original act by \$1,300 million. We stopped this bill, but it is still on their political calendar.

11. They passed the provision for the issuance of over \$2,200 million of greenback currency, a reversion to vicious practices already demonstrated in the last hundred years as the most destructive to labor, agriculture, and business. We stopped this bill and even as late as last night the Democratic candidate failed to frankly disavow it.

12. They passed the Rainey bill providing for direct personal banking for every conceivable purpose on every conceivable security to everyone who wants money, and thus the most destructive entry of the Government into private business in a fashion that violates every principle of our Nation. I vetoed this bill, but Mr. Garner still advocates it, and it has not been removed from their political calendar.

13. They injected an expenditure of \$322 million for entirely unnecessary purposes in time of great emergency. The Democratic candidate complains daily that we do not spend this money fast enough. It is part of his economic program.

14. The Congress passed proper authority to the Executive for reorganization and elimination of useless Government commissions and bureaus, but by refusing my recommendations for immediate action they destroyed its usefulness for a long time to come and probably destroyed its consummation.

15. The Democratic candidate eloquently urges the balancing of the budget, but nowhere disavows these gigantic raids on the Treasury, under which no budget can ever be balanced.

Thus far I have recounted to you the program of the Democratic House under the leadership of Mr. Garner, whose policies have received commendation from the Democratic convention which ratified them by nominating him Vice President.

16. The Democratic candidate adds to this program the proposal to plant a billion trees and thereby immediately employ a million men, but the Secretary of Agriculture has shown that the trees available to plant will give them a total of less than 3 days' work.

17. The Democratic candidate promises to relieve agriculture with a 6-point program which amounts to envisaging to distressed farmers a great structure of agricultural relief, but he has refused to submit it to debate. He has disclosed no details of the plan except six methods by which he can escape from the promise.

18. The candidate has promised the immediate inauguration of a program of self-liquidating public works, such as utilization of our water resources, flood control, and land reclamation, to provide "employment for all surplus labor at all times." That is contained in a letter addressed to all the unemployed in the United States which has had enormous circulation. To employ the whole of the unemployed in the United States would exceed in cost \$9 billion a year. These works are unavailable. If the works were there, the cost would destroy the credit of the Government, deprive vast numbers of the men now working of their jobs, and thus destroy the remedy itself.

This fantasy is a cruel promise to these suffering men and women that they will be given jobs by the Government which no government could fulfill.

19. The Democratic Party makes its contribution to the emergency by proposing to reduce the tariff to a "competitive tariff for revenue." Their candidate states that he supports this promise 100 percent. A competitive tariff today would be ruinous to American agriculture and industry.

These are the only reliefs to this emergency that I can find in the whole Democratic program. They are mostly destructive. I have given you some of the items of the Republican program. I submit to you this collection of 19 items which have been and are proposed to the American people.

Governor Roosevelt in his address of last night stated: "I have been scrupulously careful to make no idle promises, to raise no false hopes."

In St. Louis last night, I gave a list of about a dozen unclarified promises, some of which certainly raise high hopes.

Our opponents have devoted themselves in the last few weeks to the idea that the Republican Party is endeavoring to "scare" the American people. I have never found them very easily scared and would not believe the American people could be. The American people are not being disturbed by my reassurances from the record that men are being restored to employment at the rate of 500,000 a month as the result of great programs and policies inaugurated by this administration. What is disturbing the American people is the failure of the Democratic candidate to show any satisfaction in this, and his entire lack of assurance that these measures will be carried forward. Furthermore, they find a total absence of constructive proposals from the Democratic side for dealing with this emergency. They are confused by indefinite promises as to the future. They are dismayed by the measures proposed by the last Democratic House of Representatives which at no time have been disavowed by the candidate and would destroy the very foundations of the Republic. They resent appeals to protest on the basis of personal misfortune the causes of which have been so brazenly misstated. They are asking what the support of

extreme radicals means to our American institutions. They wonder if the divergent parts in the Democratic Party, the sectional elements and political elements of which it consists, do not spell a repetition of the quarrels and lack of confidence in their candidate so evident before their convention, and thus an earnest of their own incapacity for united national action.

One issue of this campaign has become of more than normal importance, and I wish to speak on that question—that is, the maintenance of our protective tariff. These States are positively dependent upon the maintenance of protective tariffs as a measure of recovery from this depression. And the protective tariff is more in danger at this moment than at any time in recent history; first because our opponents propose to reduce this tariff to the basis of “competitive tariff for revenue” which means competition in the American market by the lower-paid labor, lowered standards of living, and the cheapest lands in any part of the world.

But beyond this the collapse of 30 nations unable to stand the accumulated strains growing out of the World War has brought about a depreciation of their currencies all the way from 10 to 50 percent. The result has been a further decrease in their wages, their prices and standards of living as compared to ours. Breaches are being made daily in your farm tariff walls.

I wished to make a public survey into the actual purchasing power as a consequence of wages in a number of countries to determine from their wages the amount of bread and butter which could be purchased at retail with a week's wages. I gave out those figures 4 years ago, and I gave them out several days ago. They show that in the United States nearly every group of labor can purchase somewhere between 900 and 1,000 pounds of bread and butter from their weekly wage. They showed 4 years ago that our nearest competitor, Japan, delivering goods here, could purchase there all the way from 600 to 750. They showed several days ago that this nation could only buy 100 to 159 pounds. That is the difference in wages.

And in the face of this, our Democratic opponents propose to reduce our tariffs. They propose to do this in violation of their historic duty and

in order to appeal to other sections of the United States. Their candidate has referred to our tariff as exorbitant and a ghastly jest.

We must bear in mind that excepting wheat, 99 percent of our agricultural products in this and neighboring States are consumed within the borders of the United States, and the fate of American agriculture lies in holding the market within the boundaries of the United States.

I could give you a few indications in actual effect of the present situation other than those I stated at Des Moines, Indianapolis, Springfield. I would point out that butter, the indicator in dairy products, sells in New York at 21 cents, and yet, except for the tariff wall, it would be sold from New Zealand and Europe for 16 cents. And I would point out another exhibit: Flax is 72 cents north of the Canadian border and \$1.08 south of that boundary owing to the protective tariff. These prices are depressingly low, but they actually could be lower. If this tariff were taken down, some 4 million acres, built up under the protective tariff, must go into other products, the competition of which will lower prices in every other commodity. Another industry to which Governor Roosevelt has given especial attention is sugar, as to which his promises would put another 750,000 acres into competition with other products.

One of the reasons why agriculture has not made progress as rapidly in increased prices in the last 4 months comparable with the increased employment of men is this increasing competition from depreciated currency countries. This indeed gives me the greatest concern. Fortunately, the Republican administration has been able to prevent the destruction of the flexible authorities of the Tariff Commission through which alone these breaches in the tariff wall might be repaired.

The Democratic candidate, the Democratic House of Representatives, and the Democratic Party in its platform promise consistently to destroy this authority of the Tariff Commission, and I ask: Can you look to these men to repair these breaches in the tariff wall when they propose to tear down the walls themselves?

In a speech last night the Democratic candidate stated that the Tariff Commission "during 2 long years, has investigated duties on only 73 commodities out of many thousands."

Again he has been misinformed and is broadcasting misinformation

to the American people. The Tariff Commission has considered over 250 items instead of the 73 he mentions. A great number of these items, when they appeared for consideration, were found to have no basis for action. They were withdrawn by the applicants upon a showing of the facts. But a greater misrepresentation lies in the fact that except for the very large task that I have recently given the Commission—that is, to reconsider the tariffs as affected by depreciated currencies owing to the collapse of foreign nations—its docket is practically clear. That means that this tribunal, which Governor Roosevelt says he will destroy, has attended to practically every tariff application presented by American citizens. If there were a greater number of items which needed change, is it not obvious that the need for this change would have been manifest, because the enterprising American citizen would long since have brought it to this tribunal for immediate adjustment?

Beyond the possibilities of adjustment by the Tariff Commission, we will widen the protective tariff by legislation if necessary to protect agriculture. Our oils and fats are suffering, entirely unnecessarily, from foreign imports of these commodities. The American market should be and must be reserved for the American farmer at all times—whether emergency times or normal times.

Governor Roosevelt in his address last night also stated: "I have been scrupulously careful to engage in no personalities, no unfair innuendoes, no baseless charges against the President of the United States."

I would like to have someone else answer this, but it appears that I am the one to carry the answer across to the American people. I would recommend that anyone interested in this statement should read Governor Roosevelt's speeches from the beginning of this campaign.

I have been compelled to take the unprecedented action of calling attention to a few of them. I have been also compelled to frequently call attention to statements being put out through the Democratic National Committee and their agencies which amount to positive calumnies. In no case has the Democratic candidate disavowed this action of his official committee or agencies. He has naturally profited by his silence.

I have been informed in this State that someone is endeavoring to picture me as having voted in a foreign country as an indication that I am

not a citizen of the United States. I know it is directed from the activities of the Democratic local committees. But why answer those things? That picture is taken from the tax rolls of a foreign country where I at one time rented a house, and where there is a tax on every item of rent and where the rolls are made up from the tax rolls; where I never voted or had a right to vote. This has been privately and publicly denounced by the Secretary of State over the last 8 years.

I have just heard of another of these actions which took place yesterday in the State of Ohio—the circulation of thousands of handbills stating that the Farm Board spends \$5 million annually in salaries and has a fund of \$250,000 for traveling expenses. This statement is untrue. There follows a long list of salaries purported to be paid by the Farm Board.

It states, incidentally, that Mr. Roosevelt will abolish the Farm Board. If that be true—but I don't believe it is true—that will be of interest to the 2 million members of farm cooperatives in the United States and especially in a great part of the Northwest.

As to the first point, the administrative expenditures of the Board are less than \$900,000 per annum, and I would call attention to the fact that the members of the Farm Board receive about \$10,000 a year. The salaries referred to in this circular do not refer largely to the employees of the Farm Board. Many are exaggerated, but the great bulk of them are officials employed by farmer-owned, farmer-controlled and farmer-managed cooperatives because they have sought for the highest skill in the marketing of their products. The Farm Board has no control of these salaries. They are paid at the will of the American farmer and his organizations. The organization you have built up in this State and the salaries are enumerated here as a matter of personal defamation of myself.

But the only point of importance for me to make now is that this is typical of stories being spread through the Nation with a view to misleading the people. I regret that I have to refer to them. They ought to be omitted from a political discussion.

Throughout the difficulties of the last 2 years there have stood out in high relief the courage and fortitude of the American people. Yet,

steadfast and brave as have been our men in the face of suffering and disaster, our women have been braver and more steadfast. Upon them the rigors of the world depression, as did the rigors of the World War, have borne most heavily. Untold anxiety, self-denial, and drudgery have been their lot, that their loved ones might be assured of that care in mind and body that would equip them to meet the problems of the future. That the health of our people, both infants and adults, as evidenced by vital statistics, is now at its highest point is a notable tribute to the loving care and devotion of the women of the United States. Today their hearts are gladdened by a well founded hope of an early return to normal living conditions in our country. They must not be disappointed.

In the long dark days of recent months these women, bowed with the burden of their own troubles, have not been too preoccupied to send me many messages of sympathy and encouragement. Unmoved either by blind resentment or by cruel calumny, they have done much to sustain my belief in the justice as well as the courage of my countrymen. Whatever fortune may have in store for me during the remaining years of my life, my heart will ever be filled with gratitude to the women of America for the understanding, the faith, and the cooperation which they have given me without stint during all of my years of public service.

And not only in the homes of our country have women borne their full share of the burdens of the day. More and more in the changing conditions of modern life women have had to take their places side by side with men in factories, in business, in professional, and in political life.

Even before their enfranchisement, President Theodore Roosevelt realized the need for women in government when he appointed a woman to head his newly created Children's Bureau in the Department of Labor, and that office has always been held by a woman.

Many women are now holding posts of grave responsibility in city and county and State and Nation, and their number will be greatly increased.

A step forward has been taken in the last year. The first woman

to represent the Government of the United States in a great international conference is Miss Mary E. Woolley, sent by me as a member of the American delegation to the Disarmament Conference at Geneva. Hers was a most distinguished service. I have appointed an imposing list of women to public duties, and they have proved to have the highest sense of service and the highest kind of ability.

Since the women of America attained the vote they have naturally forced certain questions into wider attention of the Nation. Education, home protection, and child welfare are as thoroughly bound up in the politics of the Nation as any other issues as a result of the enfranchisement of women.

I have observed in public discussions in this campaign that women frequently take a longer view of national life than do a great many men. That is natural with women. They are intensely concerned with the policies which guarantee open equality of opportunity for the future of their boys and girls. It is a comfort to find them familiar with the measures I have presented to add to this security, and they are also familiar with the lack of response with which the Democratic House met these measures.

I have long experienced their courageous and tenacious abilities in organization for public purposes.

During the Food Administration, it was my pleasure to cooperate with the women, and it was my first opportunity to see the women who organized a nation for saving that our soldiers and allies might be fed. Soon after, it was with the women that I organized the measures to save the lives of 10 million European children. Soon after, it was with the women that I organized the Better Homes movement.

A few years ago, when I began to organize the White House Conference on Child Health and Protection, I discovered that the great majority fitted for leadership in that work, both by skill and experience, were women. Again, when I organized the Conference on Home Building and Home Ownership and it was necessary to create research committees to present conclusions to the Conference, I found the skill and spirit with which to carry on the special work largely among women in order to get a proper perspective on the subjects

because they were the persons in the community that had the experience to do it.

Both these conferences brought high results in the advancement of public thought. They are already ringing through our national life in concrete public action.

I have come to know the great abilities of our womanhood for cooperative action. They never cease nor become discouraged until success is attained.

Of the great problems which demand safeguard probably none arises in higher value than that of preventing wars. This is a primary necessity to the future of the Nation. We cannot, as a people, run the risk of having our whole civilization degenerated and torn apart by such grim recurrences.

There is a fundamental source for prevention which has been too much overlooked in this campaign. No one can deny the fact that the depression would never have taken place had it not been for the destructive forces loosened by the Great War. If we are to ensure that our country shall not be racked and endangered by recurrence of such calamities, the first measure for safety is that we should have peace in the world. We have a vital part to play in the setup of machinery to replace war and force with the peaceful settlement of controversies between the nations. We properly refuse to entangle ourselves in age-old controversies in other parts of the world. Our face is turned forward, not backward. We have taken the position that we will not participate in trying to compel people to engage in the settlement of controversies by the use of force.

The Kellogg Pact has been advanced by this administration to a point now accepted by the world as of far greater potency than was even contemplated at the time of its inauguration. Under the policies we have advanced, we have definitely secured that the public opinion of the world will be mobilized and concentrated against those who violate that pact.

The whole history of this beautiful western country constitutes a monument to the heroism of American women; and that pioneer spirit which bore so large a part in the development of the farms and fire-

sides that now cover the western plains has come to its fullest expression during these later years in the assumption by women of a full measure of political responsibility as American citizens. My deepest appreciation is given to the army of women who have borne so valiant a part in this campaign. Their lofty conception of governmental affairs and their keen understanding of political parties and issues have given a new meaning to the history of American progress.

In these closing hours, I am realizing that I have been drawn more deeply into this campaign than most Presidents.

The emergencies with which we have been dealing during the past 3½ years have called upon me for such continued and concentrated attention at the Capital of the Nation; they have been so complicated and technical; they have required such imperative and instant action, that when this campaign began I was forced to the realization that few other responsible officials of the Government held the full knowledge of all the ramifications of a program which was not yet fully understood by the country. I have felt that the President of the United States, constantly reviewing the history of our many struggles, knowing the character of our people, should never flinch in confidence in the future.

I deemed it due to you and to the common cause we serve to bring to you the direct story of the endeavors that have been undertaken for the common good in these past years. In the past month I have received many thousands of communications from our people. I wish to express to you and to them the comfort I have had in the realization they have given to me that their concern has traveled with mine as we have discussed together the grave issues of the period.

In the solemn sense that belongs to last words of this campaign, I assure you that I have endeavored, in the presentation of these issues, to appeal to the thoughtful people of the United States, that I have kept foremost in my thought the welfare of my country, that my vision has been of their homes and their necessities. And I accept this great demonstration as evidence of the support which you are giving to me out of your convictions in this battle. I have made no effort to appeal to destructive emotions; I have made an endeavor to appeal to reason which I can only hope has been effective. I have fixed my faith upon the log-

ical conclusions of the thoughtful people who have never failed this country in any hour of danger.

NOTE: The President spoke at 9:30 p.m. to an estimated 15,000 people gathered in St. Paul's Municipal Auditorium. The National Broadcasting Company and the Columbia Broadcasting System radio networks carried the address.

381

Message to the Gustavus Adolphus Tricentennial Festival.
November 6, 1932

[Released November 6, 1932. Dated August 9, 1932]

My dear Dr. Hoving:

I deeply appreciate the invitation to speak by radio during the Gustavus Adolphus Tricentennial Festival in New York. The date of this celebration, however, falls on the second day before the national election at a moment when it will be impossible for me to participate. I deeply regret that this will prevent me from paying the honor which I feel for the memory of the great Swedish hero, and of addressing in person our fellow-citizens of Swedish blood who have given so splendidly of their character and genius to the upbuilding of the American Nation.

Yours faithfully,
HERBERT HOOVER

[Dr. Johannes Hoving, 425 Riverside Drive, New York City]

NOTE: The message was read to an assembly of approximately 2,500 Swedish-Americans gathered in the Great Hall of the City College of New York.

382

*The President's News Conference of
November 6, 1932*

THE PRESIDENT. I had an encouraging telegram that I thought you might be interested in—not about the campaign—from the Federal Reserve authorities of the First District. It happens to be a statistical statement, and I will give it to you in a minute. That is the New England District.

I haven't had any discussion for quotation at all. I haven't been able to have talks with the people on the train such as I would have liked to have. You will realize that trying to write speeches between stops is something of a job. I had to write the whole of the St. Paul speech after 9 o'clock yesterday morning and take in all the stops as well.

I don't want to make any statement. I thought perhaps you might like to talk to me on such subjects as would be of interest to you.

ECONOMIC CONDITIONS IN THE NORTHEAST

This telegram says: "A sharp advance in industrial activity in New England is reported to have taken place since the summer months. Statisticians of First National Bank of Boston compute the indexes for the representative industries of this region after making necessary allowances for seasonal changes. The index for September shows a gain of 9 percent over August in excess of the seasonal increases, the gains cover the entire field although mainly manifested in textiles and leather products and their related lines. Fully as significant is advance in pay-rolls of New England manufacturing industries 27 percent for September over July."

I think that indicates, plus the indications from many other places, that we are on the road to economic recovery.

THE PRESIDENTIAL CAMPAIGN AND THE NATIONAL ECONOMY

(Upon inquiry as to his appearance, that he didn't look very tired, the President said as to his physical condition he had no complaint, and as to his voice, "that is a little weak. I was glad that the Lord intervened with Sunday.")

This trip is giving some new phases of American life, the principle of which is that the American people are now getting to the stage in this campaign where they are thinking. They are now moved by emotions or prejudice, and when they begin to think I have no doubt of their conclusions.

The whole foundation of the Democratic campaign has been to carry a misimpression of the causes of this depression in order that they might blame the Republican Party for it. And in a thinking population that has been educated, they recollect that a depression followed the Napoleonic campaign, and a depression probably more severe than this one. And they recollect the depression that followed the Civil War about the same distance, and the depression after the Napoleonic wars was about the same distance after the war ended; that this was the case in the Civil War as it is in the case of this war. And it is impossible to persuade people that have education, knowledge, and thought that this depression was the result of actions of the Republican Party in the face of manifest evidence of history on one hand and the very pertinent facts of what happened in this actual depression. And that education of the country and the grasp of the country on that fact has taken the bottom right out from under the whole basis of the Democratic campaign to blame the depression on the Republican Party and make politics out of human misery. That is the thing that is making the shift right straight through the country.

What is more, I have a belief that the public has begun to recognize the validity of the measures which we put over to first defend ourselves from the effect of the European crash and then the actual motive power of those measures in recovery. And that is beginning to show in the recovery in every quarter of the country. You cannot get a false recovery of a country when it takes on a million men. It is taking them on at the rate of half a million a month. Whole sections of the country are showing improvement.

When cities like St. Louis, that had secured from the Reconstruction Corporation a loan to take care of distress over the winter, cancelled the loan and found they could manage with their own funds, those things must mean something. And people are beginning to grasp that

program, and I have acknowledged fully and given credit to the Democratic Senators and Congressmen that helped to put it through. It is a constructive program, and it is in action producing results. What is more, our Democratic friends have failed to put up any problem in substitution; after starting on a false premise in their campaign they have not been able to set up a constructive program. They had to minimize the Republican program in order to make good on their blame of the Republican Party. They have got themselves in such a position that they cannot now acknowledge that this program is effective. The consequence of all that has been the enormous turn in the tide. That tide is evident in the entire change in the polls being taken throughout the whole of this Midwest territory, and it is in evidence by the fact that greater crowds have come out for my reception than came out for Mr. Roosevelt. I think those of you who were in the 1928 campaign will realize that we didn't have more enthusiastic crowds in that campaign than we have in this.

But I don't engage in forecasts. That is part of the job of the political leaders. I have never indulged in that, and I don't propose to enter into that kind of politics now.

Q. Mr. President, will you say at this time what your plans are after voting in Palo Alto—go right back or take a little rest?

THE PRESIDENT. I would like to have a short rest. I haven't had one for more than 2 years. It all depends upon whether any crisis develops that I have to go back to take care of. If not I would like to have just a week at my own home. I would like to catch a few hours sleep if it were possible.

Q. Mr. President, what is your impression of the crowds as you travel through the Middle West?

THE PRESIDENT. I have never seen more enthusiastic crowds, and I have seen greatly accumulating enthusiasm since I first went to Des Moines.

Q. Mr. President, did any of them look like they have been forgotten?

THE PRESIDENT. No, and I noticed many of them are able to come in automobiles.

Nobody doubts, however, that there is a great deal of suffering in

this country. But I have not been able to find a single locality, and I have been closely in contact with it by constant reports from every city and every State, and I do not know of a single place where people are being deprived of food or shelter. There is no excuse for it because we have measures to take care of it. People in every district are showing the most complete devotion to handling that job. Furthermore, the reports from great numbers of districts show that the job is lessening; that instead of having the blackest winter we have had yet, we are going to have a lighter one apparently from present appearances than we had last winter.

On the public reactions of this campaign, I have never seen such response on the matters of fundamentals of government as I have seen this time. I took part in the campaign with President Harding and again with President Coolidge. I had the campaign of 1928, but the people are beginning to think now about the fundamentals of government. That is all that I ask for—that they keep thinking.

(On inquiry as to his speech at Elko, the President said:)

I don't expect to deal with any partisan questions at all at Elko.

Q. That will be more on the fundamentals of government rather than strictly politics?

THE PRESIDENT. Yes.

Q. Will you vote at Stanford University this year as you did in 1928?

THE PRESIDENT. Yes, it is the only place I can vote.

Q. At the Stanford Union?

THE PRESIDENT. The administration building—in the Hub. I don't know whether it is there this year or somewhere else. In any event, in that precinct.

Q. Is that on the university grounds somewhere?

THE PRESIDENT. The university itself is a precinct.

NOTE: President Hoover's two hundred sixtieth news conference was held on Sunday, November 6, 1932, on board the President's campaign train while traveling through southwestern Nebraska.

A revised copy of the news conference, which was later released, is available for examination at the Herbert Hoover Presidential Library.

383

Remarks in Denver, Colorado.

November 6, 1932

AS YOU KNOW, this is by no means my first visit to Denver. I came here first some 36 years ago while engaged in my engineering profession. I have been back many times and have many friendships which have grown steadily over these years.

It would not be proper for me on this Sabbath Day to enter upon a discussion of political issues. Sunday is provided as a day of rest. I have certainly been engaged in hard labor, and I am thankful for the Sabbath Day.

I do wish to express my appreciation for the generosity of your reception. It is encouraging to any man in public service to feel the enthusiasm which comes spontaneously.

There is one subject on which I can speak for a moment because it is not a matter of partisanship but a matter sacred to all faiths and to all men and women. I understand that you are about to enter upon your community chest drive in order to provide against distress over the forthcoming winter. The first obligation of man is toward his neighbor. The first obligation of a community is toward those in distress, and in this drive which you are about to undertake you are giving expression to the responsibility of both the individual and the community. It is important that distress shall be cared for, and it is also important that the spirit of giving and the sense of obligation shall be maintained in our people.

It is true that we have provided through the Federal Government a fund to supplement the efforts of local communities by way of loans to those communities whose resources have become exhausted and who have not been able to compass the problems of distress. This has not been done to relieve the responsibility of the individual or the community; it has been done as a guarantee by the United States Government that in this time of hardship no one shall go hungry or cold within our land. The sum provided by the Government is insufficient except as a supplement to local abilities when their resources

are exhausted. But it is a mark of the resolution of the American people through their Government that they will make sure that our people are protected during the national emergency.

There is a phase of this entire problem of distress that has been of constant lift to me; that is the fact that under the leadership of the devoted women and men of our country, the general health of our children stands today on a higher plane than even in normal times. This is the result of the infinite effort and sacrifice on the part of our people. It is fundamental that this shall go on because we as a nation cannot afford for an instant to have the powers of the next generation in the slightest way diminished if we are to continue our great march of national progress.

A record of national and nonpartisan effort on behalf of children was recently made in the Children's Charter, drawn up at the conclusion of the White House Conference on Child Health and Protection. That was an expression of the national spirit and national thought and the national demand on behalf of children. The people of your State were represented on that important body. Your people have taken the conclusions of this able body of men and women with the utmost seriousness. You are developing those conclusions into definite community action. In so doing you are providing for us a generation in which the problems of handicap and disability in children will be infinitely lighter than those which we bear today. In the provision of a community nurse, you are substituting her, eventually, for a score of policemen.

There can be no partisanship in our obligations to our children. This is a subject that is worthy of discussion on this day.

In opening the White House Conference on Child Health and Protection, I felt that I was voicing the feelings of fathers and mothers everywhere, without respect to political faith, when I said:

"We approach all problems of childhood with affection. Theirs is the province of joy and good humor. They are the most wholesome part of our race, the sweetest, for they are fresher from the hands of God. Whimsical, mischievous, we live a life of apprehension as to what their opinion may be of us, a life of defense against their terrifying energy; we

put them to bed with a sense of relief and a lingering of devotion. We envy them the freshness of adventure and discovery of life; we mourn over the disappointments they will meet.”

And in describing the ultimate goal of all our American passion for a better life for our children I said in conclusion:

“The passion of the American fathers and mothers is to lift children to higher opportunities than they have themselves enjoyed. It burns like a flame in us as a people. Kindled in our country by its first pioneers, who came here to better the opportunities for their children rather than themselves, passed on from one generation to the next, it has never dimmed nor died. Indeed, human progress marches only when children excel their parents.”

To that end we can always devote some portion of our spiritual contemplation on the Sabbath Day.

Now, I wish to again express my appreciation for this tremendous reception. It fills me with hope. I would like to address you on questions of national issues. I shall be entering into that again tomorrow morning at an early hour.

I thank you.

NOTE: The President spoke at 8:15 p.m., from a platform erected in front of the railroad station to an estimated 25,000 people. The President's train was en route to Palo Alto, Calif., where he planned to vote on November 8.

384

Statement on Philippine Independence
and Sugar Tariffs and Trade.
November 7, 1932

THE PRESIDENT said:

My attention has been called to the misrepresentation by Democratic agencies upon the question of the restriction of Philippine sugar. The Democratic Hawes-Hayes bill provides for a probation for Philippine independence varying from 9 to 17 years during which time the quota of sugar which can be imported free is to be increased from the present average of about 600,000 tons to 850,000 tons. At the end of that period

a catastrophe will come to the Philippine people through the total break of their duty-free trade relations with us.

The Republican proposal is of a gradually modified relationship with the Philippines. We say that they cannot in their own interest attain political independence until they have secured economic independence. We therefore say that their amount of duty-free sugar must not be increased at all, but on the contrary must start at 600,000 tons and be reduced every year in order to gradually establish their economic independence. That is in the interest of both the Philippines and the American farmer.

The Democratic proposal continues and makes worse the situation of the American farmer for 9 to 17 years and in the end plunges the Philippines into ruin as the price of their liberty. The Republican proposal gives immediate relief to the beet sugar grower and brings about a safe basis of Philippine independence.

NOTE: The President issued the statement before leaving Denver. The tariff and its relationship to Philippine independence had been a major campaign issue in Colorado.

385

Statement About Agricultural Tariffs.

November 7, 1932

THE PRESIDENT today received a telegram confirming dispatches from Buenos Aires as printed in this country in which it was stated that the leading newspapers in the Argentine Capital were advocating the election of Roosevelt with the hope that tariffs would be lowered, thus enabling the Argentine to export its agricultural and animal products to the United States.

Such exportations would result in further demoralizing agricultural prices in the United States as the Argentine products would replace large volumes of American farm products.

NOTE: The statement was released to newsmen aboard the Presidential train while en route from Denver, Colo., to Salt Lake City, Utah.

776

386

Rear Platform Remarks in Wyoming and Utah.

November 7, 1932

[1.] EVANSTON, WYOMING (9 a.m.)

My friends:

I have to get up fairly early to do my job in Washington, but it appears that you get up even earlier than I do to be here at this time of day.

You will have to pardon me for my voice. I have been using it 30 or 40 times a day for the last 15 days, and it has come near its finish.

I deeply appreciate your coming to give us this greeting. It is encouraging, and it is an indication of where you will be in next Tuesday's election. There are many things that are of importance to the people of Evanston in the Republican program which is now in progress. As you know, we have gone through a very great crisis in this country. It has touched even Evanston, which is far from the Atlantic seaboard. We have had a number of very important agencies established in order to give protection to our people. Some are reaching into this town at the present moment. The agriculture banks have begun to function. They have begun to enable the cattle to move towards the Middle West, and I am in hopes that in a few weeks we can see an improvement in prices.

We have also the problem of the protection from the tariff to the cattlemen of this territory. During the last 2 or 3 months we have had a great depreciation in currencies of foreign countries because of the collapse of their governments. It enables them to produce their cattle at less cost. It has lowered prices, increased competition, and depreciated prices for cattle. We have the authority under the Tariff Commission to have those questions reviewed. We have them under review now, and we are in hopes that we can do something to be of assistance at a very early order in that direction.

The program of our party has begun to show its results in the indus-

trial world. We are now bringing back half a million men to employment in the great cities every month. They increase the consumption of animal products, and that will undoubtedly begin to reflect upon the products of this country at a very early date. Altogether the situation in the Nation is infinitely more hopeful than it was even 4 months ago.

There is one matter in which I have some personal interest. I came into Evanston some years ago in the matter of the Colorado River, and we at that time held hearings in this neighborhood, and we then provided for the preservation of the rights of Wyoming in the diversion of water from that great river in its lower ranges. That has worked out, I believe, of enormous assistance to your people.

I could talk to you a long time about matters that are of interest. I see such a large number of children here about, and they look to me to be so well cared for that I can compliment all of the women of this locality on their work in the interest of our Nation, and that is that we shall have the next generation stronger and better than ours. And it looks to me as if it is going to be so.

[2.] ECHO, UTAH

My friends:

I am deeply grateful for your greeting upon my entering the State of Utah. I have been through Echo many a time on other missions, but in this mission which I have now, I find in your greeting a very great encouragement and an indication of what you may do tomorrow in the ballot boxes.

It is not an occasion when one can speak about national issues at any length, and more especially as my voice has been under a good deal of strain this last 4 weeks, and I have got to try to keep it long enough to speak to you at 12 o'clock from Salt Lake City. I am in hopes you may listen over the radio, as I will have some remarks to make about our opponents on their side and what we have done on our side.

But I do wish to thank you for this greeting. It is generous, and it is encouraging.

NOTE: The President was en route to Palo Alto, Calif., where he intended to cast his ballot. The time provided for the President's remarks in Evanston, Wyo., is an approximation based on his itinerary.

387

Address in Salt Lake City, Utah.

November 7, 1932

My fellow citizens:

It is with difficulty that I can formulate phrases which would express my appreciation for the generosity and courtesy of your reception.

This is by no means my first visit to Salt Lake City. I came from the West, and one of my first professional engagements was the responsibility of carrying a chain and driving stakes on a ditch line in this State.

It has been a great relief and great stimulation in the last 2 days to come back to the West where I was born and reared. So I come to your State as no stranger.

We are going through an emergency unparalleled in the peacetime history of our country. The first great stake in this election and one which should give the deepest concern to every citizen is to save the principles on which this Nation was founded and the ideals upon which it has grown great. The Republican administration has held that its first obligation as the party "of the people, by the people, and for the people," has been to preserve the fundamentals of the Republic. In these trying times we have refused to adopt any of the evasions and resorts which have been installed by scores of other nations who have been precipitated into this crisis as the result of the World War. We have in no way countenanced the curtailment of public and private liberties. Thus we shall find, when this emergency is past, our governmental, social, and economic structure is functioning as before.

And even at political cost to ourselves, we must preserve those precious forces which have builded up this Republic over 150 years.

In no community in all this broad land is there today any lessening of ordered liberty, of vitality, of initiative, of individual enterprise or sense of responsibility of the community or the responsibilities of the States upon all of which this Republic is based.

The second duty with which we were confronted was to recognize honestly the forces moving against us and to give them battle with all the reserve powers of the Federal Government, to protect our people where they were unable to protect themselves, by strengthening the State, the municipality or institution.

There is nothing more difficult than to face the facts unflinchingly. Nor could we afford to look at them through eyes colored by political interest. There is nothing more difficult in times of emergency than to say "no" to anxious people when "yes" would give momentary satisfaction and yet would undermine the stability of the Nation which is our first fundamental security.

We have provided a series of measures unprecedented in the history of the Republic. In all these measures we have preserved the recognition of the responsibility of the States, local communities, private institutions, and individual citizens. These have been tremendous undertakings and instrumentalities, unparalleled in the history of the United States. They have carried us through a crisis which, without these actions, would have left the Republic with a generation of chaos. These measures and weapons were created not only for defense in the great battle with invading forces, but they were built also for purposes of counterattack. We were delayed in this counterattack for 4 months by the destructive attitude of the Democratic House of Representatives which proposed day by day measures which pandered to sectional and group interest in preparation for this political campaign. These obstructive actions themselves have destroyed public confidence during that time.

We were thus fighting not only on the front preserving the Republic, but fighting an irresponsible enemy on our flank. It was not until we had defeated the flank attack that we were able to concentrate on

the frontline of battle and carry the frontline trenches. We are moving forward today. A million men in 4 months have been restored to their normal jobs. Our agencies report that they are being taken back at the rate of 500,000 a month. So great has been the transformation in certain centers that in the great city of St. Louis where they had secured a large loan from the Reconstruction Corporation in order to care for the destitute, they are surrendering most of the loan back to the Government. With a magnificent sense of courage and community spirit and individual responsibility they announce that they can now take care of their own because of the increasing number of men who have returned to employment. I have just received a telegram showing that employment and business in all of the New England States, after deducting all seasonal factors, increased nearly 10 percent in the last 4 months.

I regret that agriculture has been lagging behind industry in this march to recovery. The reasons are, first, because our domestic markets must be reestablished by the reemployment of men; second, because we have met a new blow through depreciation of currencies in 30 governments which have collapsed under strains from the aftermath of the Great War. Their currencies have depreciated all the way from 10 percent to 50 percent, and depreciation of currency means reduction of wages and of standards of living. It has further increased their capacity to compete with our farmers. It has created breaches in the protective tariff wall which stands as the bulwark of our agricultural industry. Our first and immediate duty now is to repair these breaches in order that agriculture may resume a march forward parallel with industry within the next 30 days. That we shall do, either through the flexible tariff provision or, if necessary, through legislation. We propose to preserve the American market for the American farmer. You will realize that in these Intermountain States of ours nearly 99.5 percent of all your products are marketed within the borders of the United States, and that what you require is the protection of that market.

The Democratic campaign has been conducted from the start upon the theory that by misrepresenting the origins of this crisis as having

been brought about by the Republican administration, they could then successfully play politics with human misery. This pretext has been exploded. It was based on the assumption that the American people were an ignorant people, without knowledge of history or of current events. It was assumed they had no recollection that just such a crisis followed the Napoleonic wars, just such a crisis followed the Civil War and the wars in Europe which took place a few years later. They pretended that the World War had nothing to do with this crisis. They estimated that our people could not grasp the fact that increases in our own public debts due to the World War, together with the effect of the enormous inflation in values which took place during the war, had anything to do with our problems today. This indeed was an avoidance of the fact that these things all occurred under a Democratic administration. They assumed that our people were so ignorant as not to recognize that the overwhelming debts of foreign nations from increasing armaments from their continuing frictions, and finally their frantic attempts to secure their national liquidation, brought about the collapse of a great number of nations.

They assumed that the knowledge of these events and their effects upon us by their undermining of our credit, their reduction of buying power for our goods, were all unknown to the American people. They have had the political foolishness to misjudge that the intelligence of the American people would accept their claim that a boom on the New York Stock Exchange, participated in by Democrats as well as Republicans, was the cause of this world calamity. They attempted to establish this claim in spite of the fact that we have had similar booms 15 times in the last century, and deplorable as they are, they have never yet jeopardized our Republic or brought catastrophe on the world.

They have in this campaign also relied upon the spread of misinformation to convince the American people that the great final blow which brought the world to disaster was through the passage of the increased tariffs under the Hawley-Smoot act which took place 12 months after that boom had cracked. Most of those increases were for the benefit of our farmers. They attempted this particular foolishness in spite of the fact that it has been demonstrated time and again that this tariff

law affected only \$10 out of every \$1,000 of world trade, and that similar increases many, many times before in our history, when we had to recover protection from Democratic administrations, had had no effect on the world. All of this gigantic pose was designed to fool the people.

We have pointed out on many occasions that this refusal to recognize the facts, this attempt to mislead the people, disqualifies that party for the Government of the United States. Again, I repeat that the object in all of this misleading is to find some way to place on the Republican Party the responsibility for this worldwide disaster, and thus to draw members of the Republican Party to their banner out of discontent. Furthermore, their strategy in this campaign was to rely upon the solid South as an impregnable fortress in a political battle. They then would use their political brigades in the great cities. They sought by these misrepresentations, by nebular promises directed to the unemployed, to the farmers, to the miners, to every industry that is suffering, to attract from the Republican ranks a sufficient number to carry this election. They have, instead, driven many honest-minded Democrats from their ranks, and their failure to draw thinking Republicans will be their rebuke for intellectual dishonesty.

The Republican Party, confronted with the greatest crisis that has come in peacetime, prepared and carried through a gigantic program. That program is in action now. It is showing its results.

When we search for their program with which to meet this depression, and their real views on long-view national action, we find ourselves compelled to search a series of acts passed in the last session of the Democratic House, calculated to attract sections, groups, and radical elements to their banner. They expounded here and elsewhere through their candidate a philosophy of government that would have destroyed the foundations of the Republic. Their party convention, by the nomination of Mr. Garner, ratified these acts. Their candidate for President, having failed to disavow them, has also ratified them.

I ask you to compare my review of their program for meeting this emergency, as outlined by me in an address at St. Paul and elsewhere, with the program which the Republican administration has already in

action. Their long-view policies have the same weaknesses and the same evasions in frankly meeting national problems as their emergency program. In my addresses I have presented proof, step by step, of these facts. I have exposed their misstatements and their avoidances and their fallacies and their destructive philosophy of government. On the last point I have the gravest concern. If that philosophy were ever put into action, the America we have known in the past would be changed, and we would join with other decaying nations. Such a program put into action would destroy those principles which have given to us through these decades our great accretions of national progress, and which have sustained every man in his personal liberty and sustained the protection of his individual opportunity and has sustained the ideals of a great people.

The discussions in this campaign have largely revolved on economic issues and our material welfare, but there are issues in the campaign which far transcend the interest of our pocketbooks. While the immediate issue is to overcome this crisis, far beyond this is the higher duty to maintain faith in and fidelity to our institutions. These are the most necessary part of our problems of government and the problems of your life and of my life.

In all great crises our decisions have not been based on dollars and cents. When our people look anxiously toward the future they look to the preservation of our liberties and the safety of our institutions. We are a people devoted not to our own immediate self-interest, but we are concerned with the fate of our children and their children.

In this campaign, knowing the responsibilities of the Presidential office as I do, I have felt that I was leading a cause vital to the future of my country and to my children.

There is no community where the building up of the home and the advancement of children born amid the handicaps of the desert has called for more sacrifice by men and women, and where its hopes have been more nearly attained than in this city. I ask you to traverse the program which has been laid down by the Democratic Party, their program for long-view policies, and determine whether you think the growth which you have made here in the last 75 years can be continued if you project yourselves for the next 75 years into such a program.

I need not explain to you the principles of the protective tariff nor how dependent the Intermountain States are upon its maintenance. I may mention one fact alone and that is, outside of wheat 99.5 percent of your farmers' market depends upon the protective tariff. Nor do I need to point out to you that the only occasion upon which the Democratic candidate has expressed himself upon any particular schedule of the tariff was in a communication through the Cuban press to express his sympathy for the Cuban ambition to remove the tariff on sugar. And I might further call your attention to the explanation given, when confronted with the query as to whether this meant he would remove the sugar tariff, that he would not discuss any particular schedule. The same reply was made when he was asked what he would do about the tariff which today is the sole protection of your cattle and sheep industry, as distressed as prices may be.

Now, I submit that if any man is competent to discuss the protective tariff he must know whether the different schedules are too high or too low. He must also know that through the Tariff Commission these schedules can be instantly subjected to reexamination, and if found at fault they can be instantly remedied. I have repeatedly offered to submit any such schedule from the Democratic candidate to the Tariff Commission for their action. As I have stated elsewhere, his reply, when asked why he does not submit these facts or these faults in our tariff in order that they may be remedied, is that he will abolish the independent authority of the Tariff Commission.

I do not need to reiterate that I stand flatly for the protective tariff. I stand for the protective tariff which means always the preservation of the American market for the American producer. Further, I stand for the speedy repair of the breaches in its walls which have been made by the depreciation of foreign currencies as a result of this worldwide calamity.

This morning I issued the following statement, to the press which explains itself and is as follows:

"My attention has been called to the misrepresentation by Democratic agencies upon the question of the restriction of Philippine sugar. The Democratic Hawes-Hayes bill provides for a probation for Philippine

independence varying from 9 to 17 years, during which time the quota of sugar which can be imported free is to be increased from the present average of the last few years of about 600,000 tons up to 850,000 tons. At the end of that period a catastrophe will come to the Philippine people through the total break of their duty-free trade relations with us.

"The Republican proposal is of a gradually modified relationship with the Philippines. We say that they cannot in their own interest attain political independence until they have secured economic independence. They depend for their prosperity upon being within the tariff laws of the United States. We therefore say that their amount of duty-free sugar and of other commodities must not be increased at all, but on the contrary must start, in the case of sugar, at 600,000 tons and be reduced every year in order to gradually establish their economic independence. That is in the interest of both the Philippines and the American farmer, and the Democratic proposal is not in the interest of the Filipinos or our farmers.

"The Democratic proposal continues and makes worse the situation of the American farmer for 9 to 17 years and in the end plunges the Philippines into ruin as the price of their liberty. The Republican proposal, as usual a constructive proposal, gives immediate relief to the beet sugar grower and our other producers and brings about a safe basis of Philippine independence."

And I wish to mention here and now that in securing these additional authorities to the Tariff Commission 2 years ago by which we have taken the tariff out of logrolling and placed it on a sound and effective basis and on a basis which can meet the emergencies with which we are now confronted, Senator Smoot of your State led not only in this fight but also in the fight for the protection of your industries in Utah and for the protection of the entire Nation. And I wish to make one other point. Senator Smoot is the doyen of the United States Senate. By his long service which has continued longer than any other Senator, he has a knowledge of the workings of the United States Government unparalleled by any other man in the United States Senate. It is necessary that Senator Smoot return to the United States Senate where he has given such untiring devotion to his constituents and has not attempted to promote local interests where they were in conflict with the interests of the

country as a whole. Two of the political leaders in your neighboring State told me within an hour that they would be glad to have Senator Smoot for the campaign in their State.

This has been a campaign of peculiar misrepresentation from our opponents through failure to properly advise the Governor of New York as to facts and the consequent broadcasting time and again of misinformation both as to the origin of events and the actions taken with regard to them and in matters of common statistical accuracy which change the arguments.

One of these misrepresentations local to the Intermountain States has been as to my position as to silver. If I had no broader vision than my personal sympathy with every man who works with pick and shovel in the mines, every superintendent, and every owner of a mine, to which industry I devoted myself over a term of years, I would be anxious that their product could be salable at a price which would maintain their livelihood and the prosperity of these States from the national point of view. Increase in the value of silver would relieve us from strains of cheap production of goods which flow over our borders; it would rehabilitate the buying power of many foreign nations for our goods. We have long since determined that there can be but one standard of monetary value and that is gold, but yet we should restore silver to greater use for subsidiary coinage and other purposes in those countries which traditionally have used it and to do it without undermining the gold standard. The problem in the expansion of the use of silver thus becomes a problem which cannot be solved without international action.

For a score of years the Congress has been passing resolutions asking for an international conference for this purpose. I took the proper steps many months ago through our diplomatic agents to inquire of the nations, without whose attendance such a conference would be impossible, as to whether or not they would be willing to join in such a conference. They stated they were unwilling to do so at that time. Later on, when the question arose of a world economic conference to consider steps by which the international phases of this stupendous crisis could be further relieved, I stipulated as a condition of American entry into that conference that there should be considered also the methods for

the restoration of the use and price of silver as a full part in that conference. That was finally accepted. I have given assurances to the people of the Intermountain region that I shall appoint a representative on the American delegation who will carry their point of view to that conference.

I call your attention to the fact that in the history of 30 years this is the only administration which has won for you the consideration of this question by the nations of the world and eight of those years have been Democratic administrations.

I have referred to my early visits to this State. The pursuit of that same profession as an engineer took me into many lands peopled by many races, living under strange and diverse philosophies of life and many different forms of government. Later, during the World War in Europe, I saw men of all these origins gathered on the fields of battle waging the deadliest war in human history. I am perhaps the only man who was permitted to move within the battle zone and freely among the people on both sides of the conflict when it was in action. In my mission I discussed—merely as a matter of discernment for my own use—the war with statesmen and generals on all sides of the conflict. Their leaders had summoned their people to arms on every one of a dozen different pleas that are made to persuade men to risk their lives upon the issues of war. Some had been called to resist a hateful philosophy of government; some had been called to preserve their national existence; some had been called to guarantee with their blood a theory of their country's economic interest.

Now I would be the last man in the world to say that war is never justified. Many men of my own family have borne arms. I myself in the course of the World War repeatedly stated that I was prepared to serve my country in any capacity from that of laborer to that of soldier in the frontline trenches. There are issues for which it is right that men, if need be, should sacrifice their lives to defend them.

Nevertheless, I had at that time 4 years of unique personal observation of the horrors of war, 4 years of study of its causes, and after the armistice I had another year in endeavor to stem the tide of famine to save the children and to reestablish economic life in Europe. I then

had another 8 years of intimate study of its appalling aftermaths in dealing with the foreign commerce of our country. And I have grappled daily, in my last 3½ years as President in the most responsible office of government in the world, with the fearful aftermaths which had overwhelmed the world from war. All these experiences have impressed upon my mind with ineradicable vividness the colossal error of war as an instrument of national policy. I have learned the futility of war as a solvent of great human problems, and I have perceived the fearful toll that war takes of the generations succeeding the one which fought the battles.

Indelibly impressed upon my deepest emotions is the profound conviction that the very first of all problems pressing upon the human race generally, in its large assemblage of nations, is the problem of prevention of future wars. The greatest safety of the world from these crises we are now passing is to prevent war. I see this not only in its terms of crushing economic burdens, not only in its fearful disorganization and dislocation of economic life for years to come, not only in its crushing burdens of taxation for generations innocent of responsibility, I see it far more intensely as a supreme human problem.

I see in wars the loss of the glorious young manhood of the world who, but for war's slaughter, would lead the bright columns of human hope and human idealism and human progress to levels far above the past. I see wars in terms of women, widowed or unwed, with fond hopes blasted of homes and children. I see war's most lamentable casualties in homes wrecked and in homes that never even had their chance of being. I see wars in terms of children born into lives foredoomed to ignorance and the toil that dwarfs both mind and spirit. I see war's fatal poison subtly invading the moral ideals of the people, bringing grossness and cynicism where should grow the fine flower of idealism. The world has seen enough of a postwar peace that is not peace, but rather smoulders on in racial hatreds.

For these reasons, it has been a major purpose through all of my administration to guide the foreign policy of this Nation so as to maintain our traditional peace with amity with all nations. But, of even more importance, I have sought to do everything in my power

to place the full weight of the moral strength of the American people behind every agency, existing or that can be devised, which has for its purpose the upbuilding of the spirit of peace in the world and the maintenance of peace among nations. I have made but one reservation, and that is, we will join no movement that proposes to use military or economic force in its attempts to prevent war. For that is a contradiction in method.

And there has been real accomplishment in this direction by our country in this 3½ years. Through strengthening of the Kellogg Pact, beyond even the scope visioned by my predecessor, its great proponent, we have accomplished its acceptance by the entire world as an effective agency through which the moral influence of the world can be, and more than once has been, effectively mobilized to prevent war and sustain peace. The force behind that is the force of mobilized public opinion of the world. That is the greatest force which the world can command. We have sought and secured a large measure of disarmament. We are today placing our every influence to secure further disarmament.

If time permitted, I could enumerate a score of other measures and policies and individual cases in which the United States Government, representing the passion of our people for world peace, has been able to advance that cause by practical and effective action.

And if it shall be the will of this Nation that for another 4 years I shall continue to lead in the execution of their purposes, they may be assured, both by the pledge of past endeavor and by my solemn pledge for future endeavor, and by the further knowledge of my personal conviction and deep emotion on this subject, that then for yet another 4 years this Nation shall continue to advance in leadership toward the precious goal of worldwide and enduring peace.

NOTE: The President spoke at 12 noon to an audience of 10,000 people gathered in the Mormon Tabernacle.

388

Rear Platform Remarks in Utah and Nevada.

November 7, 1932

[1.] OGDEN, UTAH (2:15 p.m.)

My friends:

It is difficult to find words to express oneself adequate in gratitude for so fine a reception.

There are one or two matters of national interest on which I should like to talk a moment with you. The first one of those applies to the question of the working people in the United States. Ogden is particularly a center of industry. You will recollect that in the first month of this depression we brought about an agreement between the employers and the leaders of employees of the Nation that there should be no reductions of wages—that wages should be sustained. And you will recollect that after more than 2 years, not until after the cost of living had decreased and the profits of industry had vanished that that agreement was held. I call your attention to it because this is the first time in the history of 15 depressions in the United States that the first action of the Government has been to protect the working family and the working home. Furthermore, we have sought to give that same protection continuously over this period.

Through an administrative order I stopped all immigration into the United States. Had immigration gone on at its normal rate we should have had another half a million men in the United States today to labor in competition with you at the doors of our works and factories. We have continued in that protection. And if you examine the buying power of wages in the United States today, somewhat depressed though they may be, you will find that it is greater in proportion at this moment than it was 4 years ago in comparison with foreign nations. In other words, whatever our difficulties may have been, we have sustained the working family in the United States more fully than any other government in the world. It has been our purpose not only that we should sustain the buying power of our work-

ing people, which puts us on a very low level, but it has been a higher purpose that we should remove all cause for industrial conflict in the United States. And we have witnessed for the first time amongst 15 depressions of a century that we have had no consequential industrial disturbances. The number of strikes and lockouts have not only been less in this than in those previous depressions but they have been very much less than even those in the normal course of American life. And in that, there is a tribute to all the working people of the United States and to our employers for a steadfast purpose to maintain the social calm of this country in a period of great crisis.

Now, there are many other points which I could go into. The unprecedented measures we have undertaken to carry this country through this crisis have had the greatest success in warding off the calamities which have overturned other nations. The construction work we have undertaken has been three times that known in history; the stimulation of private work; the initiation of another billion and a half of work through the Reconstruction Finance Corporation; and finally the placing of the Federal Government behind all of the States in an assurance that there shall be at this calamitous time no single home in which hunger and cold shall enter—those are actions of a government solicitous for the welfare of the working people of the United States. And I am happy to tell you that during the last 4 months, since we have had freedom from the endeavors of the Democratic House of Representatives through its destruction of public confidence, that the measures which we have initiated have begun to show their effects. Over a million of men, up to the end of October, had been returned to work, and they are returning today at the rate of over 500,000 a month. And I have had telegrams as well the last 2 days from every section of the country showing that this reemployment is improving day by day. We are, I am confident, on the way out now.

And there are other matters of vital interest to the working people as well as the agricultural people. Every product of this State, from its copper to its sugar, to its lead, to its vegetable products, to its wool, and its cattle are dependent on the maintenance of the protective tariff. Our opponents have assured us that they are going to reduce

those tariffs. They talk at times differently in the West from what they do in the East. But nevertheless, the historic action of the party at all times, the promises in their platform, the promises of their candidate can assure that if they are placed in power you will have to meet that catastrophe within the State of Utah.

Now, there are other questions of vital importance. They are questions that reach to the very philosophy and basis of our Government that are at stake in this election. To those ends I have endeavored in this campaign by presentation in a manner unprecedented by any President to bring before the American people the concrete facts, and to appeal to their logic, their sense, and their thought, with the hope that they would base their action not upon destructive emotion but upon constructive emotion and upon the logic of their own interest.

I want to thank you again for your reception. It is encouraging. It is hopeful. It is helpful, and it is a sign of what you will do on the 8th day of November.

[2.] ELKO, NEVADA (7 p.m.)

My friends:

At this stage of the campaign my voice has gone somewhat the way that I find Senator Oddie's has gone. I am glad to have an opportunity to speak to you a moment because I want to say something about the Senator.

I understand that the usual misrepresentation which seems to be the accompaniment of all the activities of our opponents these days has been directed against the Senator on the silver question. I know something about the history of that problem. I recollect very vividly the Senator's visit to China and the East and his return to Washington and his urgency of the necessity that something must be done in connection with silver if we were to restore the buying power of those countries and if we were to prevent them from manufacturing goods so cheaply as to flood our markets. In response to his urging I made inquiry of the principal nations of Europe as to whether they would accept an invitation to come to a conference in the United States to consider the entire problem, not from the point of view of

displacing the gold standard, but from the point of view of increasing the use of silver throughout the world for subsidiary coinage and other purposes. I found unfortunately that some of the other nations were not prepared to enter upon the question at that time, and it went over after considerable delay.

The Senator never lost an opportunity to urge action. In fact, I came to more or less dislike him because of his pertinacity on the question. Nevertheless, at a later stage the question arose of an international conference to consider the whole of the problem of this depression, to see if we could find a method by which we would prevent these calamities which had happened from the failures of Europe. And I made it a condition of our attendance at that conference that the silver question should be taken up and should be considered as if it were a separate conference on silver. Then I had to go back to the Senator to secure an appropriation with which to send our delegation to that conference, and he helped in the Senate to secure that appropriation.

I have gone even further in this matter and have said that I will select somebody on the recommendation of our leaders in the West as a member of the American delegation that goes to that conference who will represent the western point of view on the silver question. So that you can disabuse your mind of any misrepresentations that have been made about the Senator because I know the character of the people that make them.

I am most appreciative of this reception. It is most heartening. It is encouraging as to what you may do on next Tuesday. We have gone through a great crisis. We have adopted unprecedented measures. We have brought our country through that period with less damage than any other country in the world that has been involved in it. Our measures were measures not only of defense but measures of counterattack, and since the chairman of the Democratic House of Representatives made a second destruction of public confidence—up until this gentleman had left Washington that program was beginning to work. And it has shown its results in the fact that, as I have said several times in the last few days, a million men will have returned to work before the end of October. I notice today that the American Federation of Labor re-

vises my figures and puts them up 300,000 higher; in other words, that 1,300,000 have already been restored to their jobs, and they are being restored at the rate of more than 500,000 a month.

Another point that I might pass on to you that I have no doubt Senator Oddie has explained to you before, and that is the tariff. Our opponents promise you to reduce the tariff, and disheartening as the prices of our agricultural products are, they are far higher than the prices of any of our competing countries, and our prices would not hold if the tariff were taken down. Our policy has been not only to hold that tariff up but to strengthen it further.

And now I thank you again for your reception. I must not address you any further because I will have nothing left for this last radio speech tonight.

Thank you.

NOTE: The President was en route to Palo Alto, Calif.

He spoke to a crowd assembled in Elko, Nev., just prior to broadcasting his final campaign address to the Nation.

Times provided for the President's remarks are approximations based on his itinerary.

389

Radio Address to the Nation From Elko, Nevada.

November 7, 1932

My fellow citizens:

We have been through an arduous campaign. It has been almost unique as a campaign of education in the great domestic and international problems which have arisen out of events of the last 15 years.

I have endeavored to place these problems before the people as I see them from the facts and experience that have come to me in these past years. I wished the people to realize more intimately the difficulties with which their Government has been confronted, the disasters which have been averted, and the forces which have been mobilized for their support and their protection.

I hope from these discussions that the people will realize the great crisis that we have successfully passed and the unprecedented measures taken which have been designed solely that we might protect and restore the system of life and of government endeared to us over 150 years—a government that has given to us protection from distress and allayed the forces which would otherwise have wrecked our homes and our firesides. But more than that, I hope I have given an understanding of these measures that have been designed for counterattack upon this crisis. These measures are now demonstrating their strength and effectiveness not only at home but abroad, evidences of which are multiplying throughout the country in the return of more than half a million men to work monthly, and that we have again resumed the road toward prosperity.

I might add that the figure which I have given during the last few days of the return of 1 million men to work since the adjournment of the Congress have been added to during the day today by the estimates of the American Federation of Labor which increased the estimates, which I have given to you, by nearly 300,000 men.

I wish to emphasize the greatest function of the American citizen, the one which each of us should perform tomorrow. The ballot is that most sacred individual act which preserves the great system of self-government which we have inherited and which should carry forward at any cost. It is a direct opportunity for every man and woman to express their views in terms of equality with every other citizen as to the policies and kind of a government that they wish carried out in the next 4 years. And I have a deep feeling that the choice that you make now is more than the choice for another 4 years. There is great divergence in the philosophy of government between the parties which may affect events over a generation; a mistaken choice may hazard the welfare of our children and our children's children. I have been fighting that the wrong course may not be adopted, not by appeal to destructive emotion, but by truth and logic. I have tried to dissolve the mirage of promises by the reality of facts.

I am a believer in party government. It is only through party organization that our people can give coherent expression to their views

upon public issues. There is no other way except by revolution, but we in America have ordained that the ballot shall be used for peaceful determination and not violence.

We are a nation of progressives. We wish to see our Nation march forward. We differ strongly as to the method to progress. I differ widely with the principles and views advocated by our opponents, but it is not my purpose to review them at this moment. I feel deeply that the Republican Party has been the party of progress in our history from the days of Abraham Lincoln. It has built the progress of the Nation upon the foundations of national principles and national ideals.

We are a nation of homes from which the accomplishment of individuals is nurtured by the maximum freedom in an ordered liberty. The ultimate goal of our progress is to build for security and happiness in these homes where the inspiration of our religious faiths will implant in our children those principles of social order and idealism, and where our Government will contribute in safeguarding their future opportunity for them.

The action of our Nation has been modified and benefited by the enfranchisement of women. They equally with the men bear the shocks from economic disaster. With them lies largely the guardianship of the fundamental ideals, because concentrated in their lives and their responsibilities is a solicitude for the preservation of the home and the inspiration for the future. And in these labors our Government can contribute to strengthen their accomplishment and their influence.

Our women give with lavish hands, not only to childhood, but, as well, to the creation of those conserving customs upon which are builded all the blessings of our ordered Government. They thus give to government a large measure of the true strength of its foundations. It is but just that they receive back, in return, all that the Government can give them to assure them of security and the enlargement of the equal opportunity to their children and to themselves, to widen the field for the use of their own powers of mind and spirit.

It is they who are mobilizing new public regard to our obligations to home and children of the future; it is they who are mobilizing the public opinion on the maintenance of peace in the world.

The men of our country carry the frontline of battle through their initiative, their enterprise, their hopes, their courage.

The immediate question before our country is in whose direction shall be the measures by which we shall emerge from our present difficulties. In the longer view our problems are the questions that the world should have peace; that the prosperity of the Nation shall be diffused to all, and that we shall build more strongly the ideal of equal opportunity amongst all our people; that we shall secure that obedience to law which is essential to assurance of life in our institutions; that honesty and righteousness in business shall confirm the confidence of our people in our institutions and laws; that our Government shall contribute to leadership in these matters.

It is my deep conviction that for the welfare of the United States the Republican Party should continue to administer the Government. Those men and women who have supported the party over these many years should not be led astray by false gods arrayed in the rainbow colors of promises. They have but to review the performance and the sense of responsibility, the constructive action, the maintenance of national ideals by the Republican Party, in every national crisis including the present, always in opposition to the destructive forces of sectional and group action of our opponents.

Election Day is more than a day set aside for casting of our several ballots. There is a solemnity in the feeling of that day, the sense of being in the presence of a great invisible power when the united people of a great nation give their final judgment on great issues. We cannot feel that any human power alone can give us such emotions; rather we must trust that we are sensing the movements of that Ruler of the universe in whose beneficence and in whose favor we have been blessed throughout our history.

As a final word, I wish to convey my deep gratitude to the many hundreds of thousands of people who have come to stations and to meetings to welcome and encourage me during this past month and

to the many millions more who have responded to me over the radio. I wish to express my gratitude to the young men and the young women who have organized their special movement to my support, for in them lies a special energy and idealism which drives and inspires the country; to the veterans' service leagues whose tested patriotism has supported me in this campaign; to the devoted women who, realizing the results at stake, have worked untiringly for the return of this administration; and to the organizations of men throughout the country who have been unceasing through this campaign in their presentation to the American people of the principles and ideals for which I have stood.

Four years ago I stated that I conceived the Presidency as more than an administrative office: it is a power for leadership bringing coordination of the forces of business and cultural life in every city, town, and countryside. The Presidency is more than executive responsibility. It is the symbol of America's high purpose. The President must represent the Nation's ideals, and he must also represent them to the nations of the world. After 4 years of experience I still regard this as a supreme obligation.

NOTE: The President spoke at 7:40 p.m. from the lounge car of his train while stopped at Elko, Nev. The National Broadcasting Company and the Columbia Broadcasting System radio networks carried the address.

The above text is a transcript taken from a sound recording of the address.

390

Rear Platform and Other Informal Remarks in California.
November 8, 1932

[1.] COLFAX, CALIFORNIA (Rear platform)

My friends of Nevada County:

I am deeply affected by your welcome. It is difficult to formulate phrases to express the feelings of one's heart on that part of a touching recollection. I recollect the full facts, and I recollect Nevada County with a peculiar vividness because at that age and that time in life

one remembers everything that happens. When you are from 15 to 22 or thereabouts, everything is an adventure and everything is an event. As we get along further in life we don't mind, so much, some of us, what happened this month or next month. But at the time I spent in Nevada County I remember everything—the Harmony Mine, and I remember the Grass Valley and the Mayflower and the mine where I worked at one time. All of it I remember, and I remember the road all of the way from here to Nevada City and back again. I have recollections of Colfax from many hundreds of passages through later on, but none are so vivid as at that time.

It is fine of you to come down to welcome me so early in the morning. I have to get up about 6 o'clock in the morning to do my normal job, but I didn't know anybody else in the world had to. You will recollect that my voice has just about completed itself, and if the campaign had lasted another 48 hours I should have been whispering everything I had to say.

[2.] SACRAMENTO, CALIFORNIA (Rear platform, 8:30 a.m.)

Fellow Californians:

It is always difficult for Californians to express the feeling they have on coming back. I think probably one of the disappointments of the last 4 years has been the inability to leave Washington for more than a night's journey because of the most difficult and terrible crisis which the United States has been going through.

The election is on today. Most of you have come to your own conclusions. There are many things that California is interested in in this election. All of our industries, practically, are supported by the protective tariff. However, our opponents say that they will reduce the tariff. California has seen in the last Democratic administration nine-tenths of the products of California placed on the free list, and if it had not been for the intervention of the World War, California's industries would have been destroyed. We are now faced with the same problem. And you have many problems which are important not alone to agriculture. California has many industries besides agriculture which are interested in the protective tariff.

I was reading this morning a circular put out by some labor organization here asking why I refused to employ white labor on the ranch I own at Palo Alto. I may say to you in reply to that that I am not unwilling to answer that question. I have not hesitated, and I have no hesitation now in answering any question during the whole of this campaign. First, I have no ranch at Palo Alto, only owning a half acre of ground there. Second, up to 2 years ago I had an interest in a ranch in the San Joaquin Valley, and the photographs which are being circulated were taken about a year and a half ago by a political trick.

And that leads me to make a remark on the conduct of the campaign here in California particularly. There has been such unceasing misrepresentation by the Congress of California, and particularly by the press of William Randolph Hearst, that one would have thought that the President of the United States, although he had come from the State of California, was a monster.

No attention has been particularly given to the people of California of the tremendous crisis through which the world has passed; the dangers that have been ward off from the American people; and that much as has been the distress we have had, we can point with pride to the fact that there is no starvation and cold in our country as there has been in every other country attacked by this calamity. We can point to the fact that we have made more progress than any other country in the world in emergence from that calamity.

During the last 2 or 3 days I can say that our Government departments have stated that during the last 4 months a million of men have been returned to their normal jobs. Last night I received the correction of that statement. The American Federation of Labor does not agree with my statement. They place the month of September increases of employment at 560,000 when I estimated it at 360,000. That increase has been more rapid than I had anticipated, and with that ratio of increase of 1,500,000 men returned to their jobs as the result of the constructive measures which we have introduced in Washington for the benefit of every family and fireside in the United

States; the picture of the presentation of those measures has been distorted and has been misrepresented morning, noon, and night to the people of California.

I have gotten on to a vein which I had not thought to discuss because of the statement which was presented to me a few moments ago.

But I do want to express to you my gratitude for the welcome which you have given to me back to my native State—my State of California. I established my home here 17 years ago, and it has been my home ever since that time. The major absences from this State I have given in public service to the American people. Your reception gives me faith and confidence and hope, and I thank you for it.

[3.] OAKLAND, CALIFORNIA (Rear platform, 11:10 a.m.)

Friends in Oakland:

It is difficult to phrase the expression and the depth of feeling I have at the welcome that I have received not only by yourselves in this courteous and gracious reception but that I have received in every village since I entered the State of California. I felt it was a homecoming not to the President of the United States but the homecoming of a fellow Californian.

Four years now our Nation has been in the depths of the greatest crisis ever known in its peacetime history. It has been involved in the fears of the calamities of a score of nations. I have not felt that California would want their representative in the Presidency to leave his station of duty for even an hour when it was necessary for national good. I have therefore not been away from the National Capital for more than a night for over 2½ years. Now that things are becoming better, now that the country has turned the tide and is moving toward recovery with great rapidity, I have felt justified in returning back to my State to vote. I am not going to discuss national issues with you now.

I want to thank you from the depth of my heart for the welcome that you are giving me on my return home.

[4.] SAN FRANCISCO, CALIFORNIA (Civic Center)

My fellow Californians:

I am deeply moved by the reception I have in coming home to my own State. I have been absent now for nearly 4 years. Any Californian suffers a deprivation if he is away for so long a period from its hills and valleys and from people of his own kind. Nothing but the greatest national crisis we have ever met in peacetime, nothing but the office to which you in California have elected me, would have held me so long from the refreshment of soul that comes to every man from the hills, valleys, and mountains and the people of California.

I have felt that I could only properly represent California which sent me to the Presidency by staying on the job day and night so long as there was peril to this Nation. Until this journey, I have not in 2½ years been able to be away from the Capital of the Nation for more than a night's journey. But the measures that have been taken by our administration have now proved such overwhelming evidence of the turn of the tide that I have felt justified in returning home to vote with my neighbors.

The other day a man discovered a fact that I had known for most of my life—that my first registration as a voter at the age of 21 was across the bay from this city and for the purpose of voting for President McKinley.

Now, the receptions I have had at every station and in every town since early this morning will remain as a never-to-be-forgotten memory of welcome, not as President of the United States but as a fellow Californian. This I feel to be the spirit today in this my home city. I have had memories raised as I have driven out from the ferry. Many landmarks have been wiped away before the march of progress.

I get a special joy out of the mass of children who have come to see me along the way and who are here in such numbers today. They are the dearest product of California, these our healthy, ambitious children. They are the sweetest things in our lives because they are nearest from the hands of God.

I wish again to express my gratification for the generosity, the courtesy, and the enthusiasm of your welcome. It is not my purpose to discuss national issues at this time. Today is the day when you are registering your views on the future conduct of your country. That is the most solemn act of your citizenship. You have already made your determinations, and the result will greatly depend upon the views expressed by my own State.

I have represented California for 4 years in the Presidency of the United States, and in many other years prior to that I have represented my country in great national undertakings. I can say to you that the name of California is wider known, the glories of its hills, valleys, and of its people have wider spread because of that, and there has been no time when the esteem of the Nation or the world for California and its ideals has not been upheld by my representation of your State.

[5.] PALO ALTO, CALIFORNIA (Memorial Court, Stanford University)

My friends:

I am just glad to come home. I have brought back everything with me except my voice. I can tell you the emotions of occasions like this are too much for expression. I just thank you.

NOTE: Times provided for the President's remarks are approximations based on his itinerary.

The President left the train at Oakland and went to San Francisco and Palo Alto by automobile.

391

Message Congratulating Franklin D. Roosevelt
on His Victory in the Presidential Election.
November 8, 1932

I CONGRATULATE YOU on the opportunity that has come to you to be of service to the country and I wish for you a most successful

administration. In the common purpose of all of us I shall dedicate myself to every possible helpful effort.

HERBERT HOOVER

NOTE: The President voted at Stanford University and awaited the results at his home on the university campus. At 9:30 p.m., he sent the telegram of concession to the President-elect. Final tabulations showed 27,821,857 popular votes and 472 electoral votes for Governor Roosevelt and 15,761,841 popular votes and 59 electoral votes for President Hoover.

On November 9, the President-elect replied as follows:

I appreciate your generous telegram. For the immediate as well as for the more distant future I join in your gracious expression of a common purpose in helpful efforts for our country.

FRANKLIN D. ROOSEVELT

392

The President's News Conference of *November 9, 1932*

THE PRESIDENT. Good morning. I don't know that I have got anything to say to you. No doubt you are ravenous for news, and I haven't got it. I just got up from the best night's sleep I have had in a week.

Q. What are your plans, Mr. President?

THE PRESIDENT. I think I shall probably leave here Saturday night and go straight back to Washington.

Q. Mr. President, if you go back on the Santa Fe do you plan to stop off at the Grand Canyon or anywhere?

THE PRESIDENT. No stop at the Grand Canyon this time.

Q. Which route will you take, Mr. President?

THE PRESIDENT. The Santa Fe. We will probably go out of here on the Southern Pacific so far as Los Angeles.

Q. What time will that bring you into Washington?

THE PRESIDENT. We will try to work it out to get as many nights on the train as possible and as many days in Palo Alto and Washington as possible.

Q. Mr. President, I imagine you are receiving a great many telegrams.

THE PRESIDENT. Literally thousands of telegrams. All very fine in their tenor. They express every determination of the Republican Party to go at it for 4 years of constructive work. I don't think there is anything else.

Q. Mr. President, have you heard anything from Roosevelt yet—any acknowledgement of your telegram?

THE PRESIDENT. Yes, a very pleasant acknowledgment. I don't recollect what the terms of it were.

Q. Mr. President, is there anything you want to say to the people who supported you? I noticed you didn't say anything last night.

THE PRESIDENT. I haven't had time. I just got up. I probably will say something.

Q. Mr. President, for our guidance perhaps more than news, can you give us any idea in a general way as to your plans during the remainder of your stay—whether you plan to take automobile rides or what?

THE PRESIDENT. I just went to sleep last night after the show was over, and I have got up, and I haven't any plans. I shall probably take automobile rides around this neighborhood.

Q. Have you any information as to whether Dr. Wilbur will get out of the Cabinet now? I understand his leave from the university expires in December.

THE PRESIDENT. I think that was the arrangement that his time expires in December, but I haven't discussed the matter with him at all.

Q. That would be, probably, conjecture?

THE PRESIDENT. I don't know whether there is conjecture on that or not before the 4th of March. The natural consequence will be to get out then.

Q. Mr. President, representing the Washington people, we want to know whether we will continue to have you as a citizen after the 4th of March—that is, will you remain in Washington?

THE PRESIDENT. Oh, I would not live in Washington after the 4th of March. I will come back to California, I am sure.

Q. In that connection, Mr. President, have you any announcement to make concerning your plans after your return back to California?

THE PRESIDENT. Not the remotest. I haven't thought about it.

Q. Does this mean the end of public life for you, Mr. President?

THE PRESIDENT. I haven't given consideration to anything of that sort. I will probably have to earn something of a living. I have been in public service now ever since 1914, and it is a long drain on one's resources. However, I would not say anything about that publicly—just for your own information.

Is there anything else special that I can tell you except to take 3 or 4 days off? You have had as strenuous a time as I have.

Q. Can we depend on that? Or will we miss the train?

THE PRESIDENT. You won't miss the train.

Q. Mr. President, as a matter of interest, have you kept any track of the number of words written since you started the campaign—major speeches and little speeches? Is there any track of them kept?

THE PRESIDENT. I don't think so. They all appear in the newspapers. That is about all the record we have.

Q. It is stated that the telegraph companies have filed 2 million words.

THE PRESIDENT. It is a sure thing I haven't said 2 million words.

Q. Mr. President, you are an ardent football fan. Will you be at the game Saturday?

THE PRESIDENT. I have had that suggestion made to me this morning. But I have had only half an hour to make decisions, and I haven't bothered with any of them. I would like to go to the game—Stanford against the Army.

Q. Mr. President, would you care to give any comment on your philosophy of—

THE PRESIDENT. No, not on this short notice. Is there anything else I can tell you except to take it easy? Unless something flows in on us from Washington, you won't have work to do for me.

NOTE: President Hoover's two hundred and sixty-first news conference was held at his home on the campus of Stanford University in Palo Alto, Calif., on Wednesday, November 9, 1932.

393

Message to the Dedication Ceremonies
for the Tomb of the Unknown Soldier.

November 11, 1932

THE NATION will linger today in its annual tribute of reverent memory of the glorious youth who gave their lives to defend our heritage of liberty and will pay a special homage in the dedication of the completed tomb of the Unknown Soldier. Its beauty is the symbol of our national pride in their heroism; our gratitude for their supreme devotion.

HERBERT HOOVER

NOTE: The message was read at Armistice Day ceremonies dedicating the completed tomb in Arlington National Cemetery.

394

Rear Platform and Other Informal Remarks
in California and Nevada.

November 12, 1932

[1.] GLENDALE, CALIFORNIA (Rear platform, 9 a.m.)

I am glad of this opportunity to meet with you again as a group of loyal friends who take this means of expressing their continued friendship. On my part, I welcome the opportunity to thank you for your comradeship in our battle together for the welfare of our country that has heartened me in many a difficult hour. And I wish to thank you even more warmly for your personal devotion, which touches me deeply and which I shall always treasure as the highest reward of public service.

The majority of the people have decided to entrust the Government to a new administration. The political campaign is over.

I asked for unity of national action in the constructive measures which have been initiated during the past 3 years for care of distress, to protect

the Nation from imminent dangers, and to promote economic recovery. If we are to continue the recovery so evidently in progress during the past few months by overcoming the remaining difficulties which still confront us we must have continued unity in constructive action all along the economic front. I shall work for that unity during the remaining 4 months of this administration. Furthermore, it is our duty after the 4th of March to cooperate with our opponents in every sound measure for the restoration of prosperity.

I am returning to Washington in special concern that the measures and instrumentalities which we have in motion and which are operating on an entirely nonpartisan basis shall continue to function vigorously and contribute their utmost.

The functioning of our Government is dependent upon strong two-party organization. It is only through party organization that public questions can be properly considered and determined.

Republicans of the country should not be discouraged by defeat. Rather they should at once strengthen all forces of national, State, county, and precinct organization for absolutely militant action. True to its great traditions whether in the majority or the minority, the Republican Party should and will continue to give its constructive service to the country. It will return to power.

I desire to extend my sincere thanks to all of our party workers and others who have given so freely of their time and effort in this campaign, in supporting the principles for which we stand, and the many evidences of devoted friendship I have received. But the first consideration today of every American citizen is the continued recovery of the country, and that is a consideration far above partisanship.

[2.] PASADENA, CALIFORNIA (Civic Center)

My friends in Pasadena:

It is difficult to formulate phrases to express my appreciation of this evidence of your friendship. I want you to know that we deeply appreciate it—both Mrs. Hoover and myself. It is an unexpected and spontaneous movement on your part which makes it doubly expressive.

I thank you.

[394] Nov. 12 *Public Papers of the Presidents*

[3.] POMONA, CALIFORNIA (Rear platform)

Friends in Pomona:

It is very difficult for me to find phrases to express my appreciation for this spontaneous reception. I would almost think I was still running in a campaign from this reception. But what I do know from this reception is that it is a reception from the heart and from your friendship. I want to thank you for it.

[4.] SAN BERNARDINO, CALIFORNIA (Rear platform)

My friends in San Bernardino:

I feel as if I am still engaged in a campaign. A reception of this kind is very difficult to meet with words and to express the appreciation I have for so much evidence of personal friendship. I am coming back to California. I shall be seeing you all again very many times, and I want you to know how very deeply I do appreciate this heartfelt demonstration.

Thank you.

[5.] BOULDER CITY, NEVADA (Site of Hoover Dam)

Fellow citizens of Boulder City:

This is not the first time I have visited the site of this great dam. And it gives me extraordinary pleasure to see the great dream I have long held taking form in stone and cement.

It is now 10 years since I became Chairman of the Colorado River Commission. That Commission solved in a unique way the legal conflicts as to water rights amongst six States which had long held up any possibility of the realization of these works for many years. This was accomplished after 3 years of negotiation, finally closing with the Santa Fe compact. It was the first time that a provision in the Constitution of the United States for treaties amongst the several States was utilized on so great a scale. That compact was ratified by six of the States and is held open to the seventh to join at any time it may desire. It cleared out the legal underbrush in a way that we were enabled to take the next step. And I again had the satisfaction of presenting, both as an engineer

and as head of the Commission, to President Coolidge and to the Congress, the great importance of these works. And I had a further part—to participate in the drafting of the final legislation which ultimately brought them into being.

That legislation required the making of an extremely intricate arrangement by which the Federal Government should advance the money but the byproduct of power arising from this dam should be sold in such fashion as to return to the Federal Government its entire cost with interest. That contract for the sale of power was successfully negotiated by the present Secretary of the Interior with my approval, and contracts were let for actual construction which was begun during my administration. The work has been carried forward with such rapidity that it is already more than a year ahead of schedule in its progress toward the specified period for its completion. Within a few days you will be at the next stage. The river will be diverted through massive tunnels in order that the foundations of the dam may be laid.

Now, I find I have a radio audience. Many things which are very clear to you in Boulder City are not very clear to the rest of the country, and it is because of the radio audience that I give you something about its construction work.

This dam is the greatest engineering work of its character ever attempted at the hand of man. Its height alone is nearly 700 feet, making it more than 100 feet higher than the Washington Monument, and far higher than any other such construction ever undertaken.

To understand its purpose our people must realize that the Colorado River in its freshets from the snows of the Rocky Mountains flows at a rate as great as that of Niagara. In the dry season it diminishes to less than 5 percent of its maximum flow. The purpose of the dam therefore is to store the freshet, and the amount of water is so gigantic in its proportions that the lake created behind it is over 100 miles long and will require the entire flow of the river for more than 2 years to fill it.

The primary purpose of this great construction was not the production of power, but as a byproduct to its major purpose it will produce over a million horsepower which will, as I have said, repay the cost of the dam and interest back to the Federal Treasury.

Its major purposes were four in character:

Its first purpose was to stabilize the flow of the river from these gigantic annual floods, thus preventing destruction of the great Imperial Valley and the agriculture which has grown up in adjoining States and in Mexico. Most Americans will remember how President Theodore Roosevelt many years ago had to intervene to stop the break in the levees on the Colorado River through which the whole of this river was pouring in torrent into the area of the Imperial Valley which, as you know, being below sea level, would have been turned into an irredeemable sea. This danger is forever removed by the construction of this dam.

Second, to provide a supply of domestic water accessible to Southern California and parts of Arizona. Southern California has a population grown almost to the point where its entire water supply is absorbed, as evidenced by the periodic necessity to ration water in that quarter. With these new supplies of water the growth of those sections can go on for generations. And in this connection, I may mention, and this will be of interest to you, that through loans from the Reconstruction Corporation, work starts at once on the construction of the great aqueduct to carry this water into Los Angeles and the surrounding towns.

The third purpose of this dam was to provide an adequate supply of irrigation water to the large areas of Arizona, the Imperial Valley, and other valleys of Southern California.

The fourth purpose is to preserve American rights in the flow of the river.

But the whole of this work that you are doing here and that you will do translates itself into something infinitely more important. It translates itself into millions of happy homes for Americans out under the blue sky of the West. It will in fact, in its various ramifications, assure livelihood to a new population nearly as great as that of the State of Maryland.

I know that I express the appreciation of the people of the Southwest to the members of the Colorado River Commission who played so large a part in removing obstacles and in effectively establishing these great works, and to those many others who devoted themselves for years to securing legislation, not only in the Federal Congress but

in the legislatures of the different States, and to all those now engaged in direction and work upon this magnificent construction. It will be a source of pride to every man and woman to have been associated with so great a work. I hope to be present at its final completion as a bystander. Even as a bystander, I shall feel a special personal satisfaction.

The waters of this great river, instead of being wasted in the sea, will now be brought into use by man. And you will realize from this that civilization advances with the practical application of knowledge in just such structures as the one being built here in the pathway of one of the great rivers of the continent. The spread of its values in human happiness is beyond computation.

I thank you.

NOTE: The President was en route from Palo Alto, Calif., to Washington, D.C.

His remarks at Glendale were carried over a network of 88 radio stations, and his remarks in Boulder City were carried over national radio.

395

Telegram to President-Elect Franklin D. Roosevelt
About Intergovernmental Debts.
November 13, 1932

[Released November 13, 1932. Dated November 12, 1932]

THE SECRETARY of State has informed me that the British Ambassador, on behalf of his government, has handed him a note stating that "They believe that the regime of intergovernmental financial obligations as now existing must be reviewed; that they are profoundly impressed with the importance of acting quickly and that they earnestly hope that the United States Government will see its way clear to enter into an exchange of views at the earliest possible moment."

The British Ambassador further asks for a suspension of the payments due by the British Government to our Government for the period of the discussion suggested or for any other period that may be agreed upon. This last suggestion clearly relates to the payment of

\$95,000,000 which will fall due on December 15, 1932. I have requested the Secretary of State to transmit to you a full copy of that note.

The Secretary of State has also just been informed that similar requests are to be made by other debtor governments which likewise are obligated to make payments to the United States on December 15th next. One debtor nation has defaulted on a payment due November 10th and another debtor nation has served notice on our government of its incapacity to make a payment due in December. Thus our government is now confronted with a world problem of major importance to this nation.

The moratorium which I proposed a year ago in June—that is the year's postponement of intergovernmental debts and the spread of the deferred payment over 10 years was approved by the Congress. It served a great purpose in staying destruction in every direction and giving to Europe a year in which to realize and so modify their attitude on solely European questions as to support their credit structure from a great deal of further destruction. They have made very substantial progress during that year in financial adjustments among themselves and toward armament reduction.

Practically all of our World War debt settlements were made not by the Executive, but by the Commission created by Act of Congress, and all were approved in the form of legislation enacted by both Houses. A year ago in recommending to the Congress the ratification of the moratorium I presented a statement of my views as to the whole of the relationship of ourselves to our debtor countries and pointed out that debts to us bore no relationship to debts between other nations which grew out of the war.

At the same time I recommended to the Congress that a new Debt Commission be created to deal with situations that might arise owing to the temporary incapacity of any individual debtor to meet its obligations to our country during the period of world depression. Congress declined to accede to this latter recommendation; it passed a Joint Resolution reading in part as follows:

"It is hereby expressly declared to be against the policy of the Congress that any of the indebtedness of foreign countries to the United

States should be in any manner cancelled or reduced; and nothing in this Joint Resolution shall be construed as indicating a contrary policy or as implying that favorable consideration will be given at any time to a change in the policy hereby declared."

The limitation to purely temporary and individual action as to those incapable of payment during the depression expressed in the "Communique" referred to in the British note, and in my recommendation to the Congress was evident in these documents. The refusal of the Congress to authorize even the examination of this limited question, together with the above resolution, gave notice to all debtor governments of the attitude of this Government toward either cancellation or reduction of existing obligations. Therefore any commitments which European Governments may have made between themselves could not be based upon any assurances of the United States. Moreover the tenor of negotiations asked for by the debtor governments goes beyond the terms of the Congressional resolution referred to.

I have publicly stated my position as to these questions including that I do not favor cancellation in any form but that we should be receptive to proposals from our debtors of tangible compensation in other forms than direct payment in expansion of markets for the products of our labor and our farms. And I have stated further that substantial reduction of world armament which will relieve our own and world burdens and dangers has a bearing upon this question. If negotiations are to be undertaken as requested by these governments, protracted and detailed discussions would be necessary which could not be concluded during my administration. Any negotiation of this question on the basis of the requests of these governments is limited by the resolution of the Congress. And if there is to be any change in the attitude of the Congress it will be greatly affected by the views of those members who recognize you as their leader and who will properly desire your counsel and advice.

This outlines where the question stands at the present moment.

I am prepared to deal with the subject as far as it lies in the power of the Executive, but it must be our common wish to deal with this question in a constructive fashion for the common good of the country.

I am loath to proceed with recommendations to the Congress until I can have an opportunity to confer with you personally at some convenient date in the near future.

There are also other important questions as to which I think an interchange of views would be in the public interest. The building up of world economic stability is of course of the greatest importance in the building up of our recovery. As you know, a world economic conference will be held during the course of the coming winter. Already two American experts have met with the technical experts of other governments to prepare tentative agenda. While this conference may be begun during my administration, it is certain that it will not complete its labors until after you have assumed office.

Parallel with this, of course, is the disarmament conference in which the United States has taken a leading part, this also has a great economic purpose as well as the advancement of world peace.

Time is of great importance in all these questions and I understand that you are planning to come through Washington some time during the latter part of next week, and I hope you will find it convenient to stop off long enough for me to advise with you. I should, of course, be only too glad to have you bring into this conference any of the Democratic Congressional leaders or other advisers you may wish.

HERBERT HOOVER

[Governor Franklin D. Roosevelt, Albany, N.Y.]

NOTE: The telegram was released to the press as the President's train neared Yuma, Ariz. On the same day, the Department of State released the British and French notes proposing new debt negotiations.

On November 14, President-elect Roosevelt replied as follows:

I appreciate your cordial telegram. On the subjects to which you refer, as in all matters relating to the welfare of the country, I am glad to cooperate in every appropriate way, subject, of course, to the requirements of my present duties as Governor of this State.

I shall be delighted to confer with you in Washington, but I have been confined to the house with a slight cold and I am, therefore, not able to suggest a definite date. I shall call you on the telephone as soon as the time of my departure for the South has been determined.

May I take the liberty of suggesting that we make this meeting wholly informal and personal. You and I can go over the entire situation.

I had already arranged to meet a number of the Democratic leaders of the present Congress late this month at Warm Springs. It will be helpful for me to have your views and all pertinent information when I meet with them. I hope that you also will see them at the earliest opportunity because, in the last analysis, the immediate question raised by the British, French and other notes creates a responsibility which rests upon those now vested with executive and legislative authority.

My kindest regards.

FRANKLIN D. ROOSEVELT

[The President, Hutchinson, Kansas]

396

The President's News Conference of
November 13, 1932

REPORTER. You gave us a great treat last night, Mr. President.

Q. And a good news story this morning.

THE PRESIDENT. I'm glad you like them. I haven't anything for publication today. I thought there might be something you'd like to know that I can help you with.

Q. Have you received any reply from Governor Roosevelt?

THE PRESIDENT. No.¹

Q. Does your note establish a precedent—asking for a conference with your successor?

THE PRESIDENT. I'm sure I have no idea. But I am glad to cooperate in any matter that concerns national solidarity.

Q. Have there been any further communications from the Secretary of State?

THE PRESIDENT. No, nothing at all. I only know of the notes he has received. I understand the foreign governments are publishing their notes tomorrow morning.

¹ President-elect Roosevelt's reply, dated November 14, 1932, is printed in the note to Item 395.

I don't know whether you realized it last night but that point lookout, where we turned round in a circle, is the end of the dam. When it is completed it will come out at that point, and the road will go from there across the river on top of the dam. You can get some appreciation of how high it is.

Q. It is a great tribute to our engineers.

THE PRESIDENT. Yes. It is a fine engineering job. A Department of the Interior man named Young designed it, and there is a very able corps of contractors. The four tunnels, through one of which we drove, will carry the whole of the waters of the Colorado River at its highest point without being completely full, that is carrying as much water as the normal flow of Niagara. They are turning the water into one of them tomorrow morning. You saw the method by which they were creeping up on the river by pushing it back and gradually narrowing down the river?

Q. Won't those tunnels be used later for the power end of the project?

THE PRESIDENT. Two of them will I think, but they will have a separate steel pipe for power purposes in the tunnel.

Q. How far will the water drop to the powerplant?

THE PRESIDENT. Not at all, or but very few feet. It comes under pressure. The steel tubes will be about 2½ inches thick. It is the greatest piece of construction ever undertaken.

Q. Will it take 3 or 4 years yet to complete it?

THE PRESIDENT. I imagine about 3 years because they are 7 months ahead of low water in the river, and that will enable them to get the foundations in far enough so that they can go ahead even in high water. Then it is just a straightforward job of mixing cement and pouring it in.

Q. Have you anything more on the war debts?

THE PRESIDENT. No.

Q. You mentioned the latter part of next week. Does that mean the present week?

THE PRESIDENT. The telegram was sent last night. That means this week.

Q. Will this region about here benefit from the Boulder construction?

THE PRESIDENT. No, not at all unless the value of irrigated land goes way up. There is a very small territory in Arizona that can be economically added by that water. Probably a million acres could be added if they would spend \$200 or \$300 an acre, but it may be 100 years before that time arrives. There is a large area surrounding the Salton Sea which will be brought under gradually. But there will be no addition of irrigated land there for a long time because it will be 3 years before the dam is completed, and it will take 5 or 6 years after that to complete the canal from the river to the Imperial Valley as the present canal runs through Mexican territory. That has been one of our legal difficulties—the Mexican controlled canal to the Imperial Valley. But they should get domestic water to Los Angeles long before there is any extension of agricultural land, and power will be available when the dam is complete.

Q. Will you start right away on your message to Congress?

THE PRESIDENT. I haven't given it much thought yet. I'm not just sure when Congress meets. Anyway the budget message is the first to be settled.

Q. You are not planning any special program from here on in?

THE PRESIDENT. No, a straight away run. One reason I wanted to stop at Boulder was to get all the contractors together with our own people. That thing is moving at a rate which affects the budget. We do not want to spend any more than we have to, but the Government does not begin to draw interest on that until it begins to deliver power, and we have a cumulative interest problem to consider.

Q. For our own guidance, do you think Governor Roosevelt's visit might come as early as Wednesday?

THE PRESIDENT. I don't know. I was advised that he was going south the latter part of the week.

And in this connection I want you to know that there is absolutely no truth in those stories that the American Government has not a free hand. I want that very clear.

Q. We have had that definitely from Secretary Stimson all along.

THE PRESIDENT. I am giving you this as background, not for publication.

Q. Do you think the moratorium will have to go on for another year?

THE PRESIDENT. That is not a question for discussion with me. Anyway the moratorium is up already.

Q. It looks as though if they can't pay us we'll have to give them more time.

THE PRESIDENT. I am not sure of that either.

Q. Do you plan to stop at the livestock show at St. Louis?

THE PRESIDENT. No, I must get back and complete my message to present to Congress and complete a scheme for reorganization of the Federal Government.

Q. Have you authority to do that now?

THE PRESIDENT. The law provides that the President has authority to issue Executive orders setting up a new arrangement. Those Executive orders have to lay before Congress for 60-sitting days. Normally that would take until the end of February taking out the holidays. I will get them in early enough. If not acted upon in 60 days, they become effective.

Q. Anything more on your plans after March 4? You will not be President of the university or anything?

THE PRESIDENT. No. Which university?

Q. Leland Stanford.

THE PRESIDENT. It already has a president and a very good one. There is little for you to find in this country by way of news. I haven't been through here for some years, and I wanted to take the southern route.

Q. Are you getting rested?

THE PRESIDENT. Yes, and I think that is all. You all better get some rest and sleep.

NOTE: President Hoover's two hundred and sixty-second news conference was held on the Presidential train while traveling through Arizona on Sunday, November 13, 1932.

In his remarks, the President referred to Walker R. Young, the construction engineer in charge of the Hoover Dam.

A revised copy of the news conference, which was later released, is available for examination at the Herbert Hoover Presidential Library.

397

Rear Platform Remarks in New Mexico and Kansas.

November 14, 1932

[1.] TUCUMCARI, NEW MEXICO

We are no longer in a political campaign. So I accept this as an evidence of your friendship, and I deeply appreciate it. That is as much of a political speech as I can make for you.

[2.] LIBERAL, KANSAS

My voice does not carry very far. I do want to express my appreciation for so fine a greeting as this. I appreciate it deeply. Now that the campaign is over, it is a mark of friendship, and I thank you for it.

NOTE: The President was en route from Palo Alto, Calif., to Washington, D.C.

398

Message Supporting the Annual Membership Drive
of the American National Red Cross.

November 14, 1932

BY EVERY MEANS that is available to the Chief Executive, I have for the past 3 years summoned every private and public agency to cooperate in making certain that no man, woman, or child of all our people should go hungry or cold through any lack of forehanded provision. The response of these agencies has been wholehearted and unanimous. Their support has come directly from the people, and in this the people have given a magnificent evidence of their warmth of human sympathy and their generosity toward their neighbors in distress. That has been one of the most heartening evidences of the soundness of our democracy.

In this situation the Red Cross has occupied a special and unique position. The Red Cross cannot properly be described as a private

institution for it is legally a semiofficial organization and sentimentally it is the people's very own.

A thousand remembered associations of its magnificent human response to the cry of distress in emergency clusters around the name Red Cross. By natural growth it has become our great nationwide peacetime agency for meeting emergencies and distress. The people support it because their hearts and their purses created it.

In these past 3 years the Red Cross has responded to the needs throughout the Nation, and it has been nobly supported by the whole American people.

For these reasons, and speaking as President of the United States, I confidently appeal once more to the American people for unanimous and generous support to the American Red Cross enrollment campaign which begins tonight. The need exists and the heart of America will respond in generous measure.

NOTE: The message was read during a one hour radio appeal carried by the National Broadcasting Company radio network. The Columbia Broadcasting System radio network carried a similar appeal on November 15, 1932.

399

White House Statement About a Meeting
With President-Elect Roosevelt.

November 17, 1932

THE PRESIDENT and Governor Roosevelt talked over the telephone this morning in respect to the meeting over the questions raised in the President's telegram of November 12. Governor Roosevelt is arriving in Washington at 3:30 o'clock on Tuesday and will come directly to the White House office. The conversations will be informal. The President will be accompanied by Secretary Mills. Governor Roosevelt will be accompanied by someone interested in the subject.

400

White House Statement About a Meeting
With Certain Members of Congress.

November 17, 1932

THE PRESIDENT has requested the three ranking Republican and Democratic members of the Finance Committee of the Senate and the Ways and Means Committee of the House to meet with him on Wednesday morning at 10 o'clock to discuss questions of foreign debt.

401

Message to the Police Commissioner of New York City.

November 18, 1932

[Released November 18, 1932. Dated November 16, 1932]

My dear Mr. Commissioner:

The admirable police arrangements during my recent visit to New York added greatly to my pleasure and comfort and I wish you to know how cordially I appreciate your efforts.

I will be obliged if you will also convey to the members of your Department my thanks for their part in this valued service.

Yours faithfully,

HERBERT HOOVER

[Commissioner Edward P. Mulrooney, Police Headquarters, Center Street, New York City]

NOTE: The message was made public by Acting Police Commissioner Paul D. Hoyt, who directed that it be incorporated in the general orders of the department and read to the police in each precinct.

402

White House Statement on the Federal Budget.

November 19, 1932

AT THE MEETING of the Cabinet this morning, the budget situation was reviewed and the reductions in appropriations for the fiscal year beginning July 1 next were settled at about \$700 million. This will, however, be offset by certain increases in uncontrollable items such as interest and amortization on the public debt and tax refunds to the extent of about \$150 million.

The increase in fixed charges is partly due to the Government investments in the Reconstruction Corporation, the land banks, and elsewhere, of over \$1 billion which will ultimately return to the Treasury.

The administration is determined to present a balanced budget.

The detailed figures of the budget are never given out until the President's budget message is communicated to the Congress.

403

Message to the Dedication Ceremony
of the Wright Brothers National Memorial.

November 19, 1932

[Released November 19, 1932. Dated November 18, 1932]

Dear Mr. Secretary:

Please convey to the assemblage at Kill Devil Hills my disappointment that the press of public business in Washington has forced me to reconsider a previous determination to attend the dedication ceremony of the Memorial to Wilbur and Orville Wright. This monument was generously authorized by Congress to commemorate the first successful attempt in all history at power driven airplane flight. While Secretary of Commerce, more than five years ago, I was a member of the commission which initiated this project, and I have taken a great personal interest in the progress of the work.

Please convey to Mr. Orville Wright my congratulations and my appreciation of the epoch making achievement of himself and his lamented brother.

Yours faithfully,
HERBERT HOOVER

[The Honorable Patrick J. Hurley, Secretary of War, Washington, D.C.]

NOTE: The message was read at unveiling ceremonies held at Kitty Hawk, N.C.

404

Message to the Chairman of the Share-the-Work Organization.
November 21, 1932

I HAVE NOTED with deep satisfaction the encouraging growth of the Share-the-Work movement under your able leadership and growing out of our conferences in Washington. You and your chairmen deserve and are receiving the appreciation of the whole nation for your untiring efforts towards the common good. This movement affords one of the most practicable methods of speedily relieving the present distressing unemployment situation and should have the active cooperation of every employer and employee. Already a strong sense of job-security has been imparted to the employees of all firms which have adopted share-work practices. We need to make this security nationwide, reaching every person who now has a job. Only in this way can purchasing power be made confident and effective in speeding business recovery. For this reason I am anxious to be kept periodically informed as to the progress of your organization in widening the scope and increasing the celerity of action in this vitally necessary undertaking. The need for greater effort is more urgent than ever and to this end my fullest cooperation is at your command.

HERBERT HOOVER

[Mr. Walter C. Teagle, Chairman, Coordination Committee, Share-the-Work, Room 514, 33 Liberty St., New York City]

NOTE: The message was read at a dinner held in the Waldorf-Astoria Hotel in New York City. The dinner was sponsored by Alfred P. Sloan, president of General Motors Corp., and chairman of the share-the-work organization in the Second Federal Reserve District.

405

White House Statement About a Meeting
With President-Elect Roosevelt.

November 22, 1932

THE PRESIDENT and Governor Roosevelt traversed at length the subjects mentioned in their telegraphic communication. It is felt that progress has been made. The President confers with the Members of the Congress tomorrow, when the subject will be further pursued.

NOTE: See also Item 395.

406

Message on the Presentation
of the American Hebrew Medal
to Dr. John H. Finley.

November 22, 1932

[Released November 22, 1932. Dated November 19, 1932]

My dear Rabbi Landman:

I am gratified to learn that the American Hebrew Medal for the Promotion of Better Understanding between Christian and Jew in America is to be awarded this year to Dr. John H. Finley, whose high-minded and effective service to so many causes in the public interest has earned for him a high place in the affection and gratitude of the people, and by whom this fresh honor is highly merited.

Yours faithfully,

HERBERT HOOVER

[Rabbi Isaac Landman, 71 West 47th St., New York City]

NOTE: The message was read at presentation ceremonies held in the auditorium of the City College of New York. Dr. Finley was associate editor of the New York Times.

407

Statement on Intergovernmental Debts.

November 23, 1932

THE COMMUNICATIONS submitted by a number of governments in substance request that their war debts to the United States should be again reviewed, that our Government should enter into an exchange of views on this subject, and that during the period of such a conference there should be a suspension of the payments due to the United States on December 15 next.

This presents a problem which merits thoughtful consideration of the American people. To avoid misunderstanding it seems desirable to summarize briefly the complex questions and the policies consistently followed by the United States in respect to these debts and my views as to the course which should be pursued.

1. These debts were created, and were undoubtedly based, on the proposal of the borrowers, no doubt in good faith, and the assumption of the Government of the United States, that they were actual loans which would be repaid. Had it not been for this assumption, it is hardly to be supposed that this Government would have been so largely involved. We have held at all times that these agreements voluntarily entered upon must be maintained in their full integrity except as adjusted by mutual consent. This is fundamental to upholding the whole structure of obligations between nations and beyond this is basic to the very structure of credit and confidence upon which the modern economic life depends.

2. The United States Government from the beginning has taken the position that it would deal with each of the debtor governments separately, as separate and distinct circumstances surrounded each case. Both in the making of the loans and in the subsequent settlements with

the different debtors, this policy has been repeatedly made clear to every foreign government concerned.

3. Debt settlements made in each case took into consideration the economic conditions and the capacity to pay of the individual debtor nation. The present worth of the payments to be received under the terms of the settlements at the time they were made, on the 5 percent interest basis, provided in the original agreements, show concessions ranging from 30 percent to 80 percent of the total amounts that were due.

As indicating the consistent policy of adjustment to ability of the debtor to pay, I may cite President Harding's recommendation to Congress regarding the first of these agreements, that is, the British settlement. Again the principle was fully elaborated in the annual report for the fiscal year 1925 of the World War Foreign Debt Commission, which comprised members of both political parties, and in the reports of the Ways and Means Committee of the House of Representatives upon various settlements. The Congress in ratifying the settlements agreed to this principle. I continued to follow this policy in the statement I made on June 20, 1931, and in my subsequent message to the Congress, proposing postponement of payments during the fiscal year 1932 and their subsequent repayment over a term of years.

4. From the time of the creation of these debts to the United States, this Government has uniformly insisted that they must be treated as entirely separate from reparation claims arising out of the war. The reasons for adherence to this position are plain. After the war we refused to accept general reparations or any compensation in territory, economic privileges, or government indemnity.

Moreover, in the matter of reparations and other intergovernmental debts arising from the war, our position is entirely different from that of governments that are both creditors and debtors. Since we owe no obligation of any kind to others, no concession made in respect of a payment owed to us could either in whole or in part be setoff or balanced against claims owed by us to any other creditor of our own country. On the contrary, every such concession would result in the inevitable transfer of a tax burden from the taxpayers of some other

country to the taxpayers in our own, without the possibility of any compensating setoff.

As Secretary of the Treasury Houston pointed out as early as March 1, 1920, in response to a note from the British Government suggesting a general cancellation of war debts:

"... Of course I recognize that a general cancellation of such debts would be of advantage to Great Britain and that it probably would not involve any losses on her part. As there are no obligations of the United States Government which would be cancelled under such a plan, the effect would be that, in consideration of a cancellation by the United States Government of obligations which it holds for advances made to the British Government and other Allied Governments, the British Government would cancel its debts against France, Italy, Russia, and her other Allies. Such a proposal does not involve mutual sacrifices on the part of the nations concerned. It simply involves a contribution mainly by the United States...."

In my statement of June 20, 1931, proposing that one year's payment of all intergovernmental debts should be distributed over a term of years, and again to the Congress on December 10 last, submitting the agreements thereon, I said:

"I wish to take this occasion also to frankly state my views upon our colonies or property. The repayment of debts due to us from the Allies Governments of Europe. Our Government has not been a party to, or exerted any voice in determination of reparation obligations. We purposely did not participate in either general reparations or the division of colonies or property. The repayment of debts due to us from the Allies for the advance for war and reconstruction was settled upon a basis not contingent upon German reparations or related thereto. Therefore reparations is necessarily wholly a European problem with which we have no relation."

5. The debt agreements are, through force of law, unalterable save by congressional action. Without entering into legalistic consideration of the respective powers of the Executive and the Congress, it may be said at once that, based upon the relation of these debts to revenue, the Congress has insisted upon participation in initiation of negotia-

tions and in any ultimate decisions in respect to the war debts. In 1921, when President Harding recommended to the Congress that the Secretary of the Treasury be given broad powers to deal with the debts, subject to approval of the President, the Congress did not accept this proposal but instead provided for the creation of the World War Foreign Debt Commission, and placed very close limitations upon the action of the Commission. Subsequently, the Commission, having found it impossible to reach agreements within the limits set by the Congress, the original act was amended so as to permit the Commission to conclude settlements subject to the approval of the President and the Congress.

With the exception of settlements with Austria and Greece, all settlements were negotiated by the World War Debt Commission, and every agreement was approved by the Congress in acts passed by both Houses, signed by the President.

Believing that emergencies of temporary character might arise in some cases during the depression—which has already proved the case—on December 10, 1931, I sent a recommendation to the Congress that the Commission should be reconstituted to consider such emergency cases. The Congress refused to take such action, and adopted a joint resolution which read in part as follows:

“Section 5: It is hereby expressly declared to be against the policy of Congress that any indebtedness of foreign countries to the United States should be in any way cancelled or reduced, and nothing in this Joint Resolution should be construed as indicating a contrary policy or as indicating that favorable consideration will be given for change in the policy hereby declared.”

It must be obvious, therefore, from a practical point of view, that no progress is possible without active cooperation of the Congress.

6. The necessity of this authority does not, however, relieve me of the responsibilities of this office, and I, therefore, shall state my own views.

The worldwide crisis has, at least temporarily, increased the weight of all debts throughout the world. Tremendous disparity in price levels, contraction in markets, depreciation in currency, stagnation of trade

and industry are all part of this worldwide depression which is not only increasing the weight of these debts and has made their payment more difficult to some nations, but have thrust them as well into the problem of world recovery and its effect upon our own farmers, workers, and business. These are realities. We cannot blind ourselves to their existence. They are vital factors in the problem now before us for consideration.

At the same time, it must be emphatically recalled that the aftermath of the Great War and these incidents of the depression have also fallen with great weight on the American people, and the effect upon them directly as taxpayers, of any modification with respect to the debts due this country, must not be disregarded. Other nations have their budgetary problems. So have we. Other people are heavily burdened with taxes. So are our people.

I have stated on many occasions my opposition to cancellation. Furthermore, I do not feel that the American people should be called upon to make further sacrifices. I have held, however, that advantages to us could be found by other forms of tangible compensation than cash, such as expansion of markets for products of American agriculture and labor. There are other possible compensations in economic relations which might be developed on study which would contribute to recovery of prices and trade. Such compensations could be made mutually advantageous. These things might serve to overcome difficulties of exchange in some countries and to meet the question of inability of some of them otherwise to pay.

The World Economic Conference will convene in a few months to deal with matters of the deepest import to economic recovery of the world and of ourselves as well. A world disarmament conference is now in progress. And I must reiterate that the problem of foreign debts has in the American mind very definite relationship to the problem of disarmaments and the continuing burden which competitive armaments impose upon us and the rest of the world. There are, therefore, important avenues of mutual advantage which should be genuinely explored.

It is unthinkable that within the comity of nations and the maintenance of international good will that our people should refuse to consider the request of a friendly people to discuss an important question in which they and we both have a vital interest, irrespective of what conclusions might arise from such a discussion. This is particularly true in a world greatly afflicted, where cooperation and good will are essential to the welfare of all.

I believe, therefore, that Congress in view of the requests made by these governments should authorize the creation of an agency to exchange views with those governments, enlarging the field of discussion as above indicated and to report to Congress such recommendations as they deem desirable. Furthermore, such agency should be so constituted through complete or partial identity of membership with the delegations to the World Economic Conference and to the General Disarmament Conference, that under the direction of the President and with the final decision in the Congress, we may take the strongest possible coordinated steps towards the solution of the many underlying causes of the present calamity.

As to the suspension of installments due on December 15, no facts have been presented by the debtor governments which would justify such postponement under the principles heretofore laid down by this country. At the Lausanne Conference, which has been referred to as a precedent for the suspension of payments during those conferences, that postponement was the natural result of the facts which had been elaborately presented during many months of previous inquiry.

The suggestion that the suspension of the December 15 payments would permit the governments to enter undisturbed into discussions now proposed does not appear to me to carry weight. Contrary to this view, it seems to me that discussion would proceed under more favorable circumstances if the terms of these obligations is carried out rather than suspended prior to discussion. By that I do not mean to say that if extraordinary circumstances, such as depreciation of currencies and general fall in world trade, have rendered immediate transfers of this next payment in dollars impossible to some nations without losses on both

sides, our Government should be unwilling to consider a proposal that payments of this installment be made to our account in foreign currencies, transfers to be effected from time to time as the situation of the exchanges permits, of course with guarantees as to value of such currencies. If any such circumstances exist and are called to the attention of this Government, I shall transmit them to Congress for prompt consideration, but I must insist that existing agreements be respected until they have been mutually modified by duly authorized representatives of the governments affected.

There is a larger aspect to this question of responding to an invitation from a friendly nation to discuss, through effectively authorized agents, a problem of deep concern to both. Discussion does not involve abandonment on our part of what we believe to be sound and right. On the other hand, a refusal to afford others the opportunity to present in conference their views and to hear ours upon a question in which we are both concerned, and an insistence upon dealing with our neighbors at arms' length, would be the negation of the very principles upon which rests the hope of rebuilding a new and better world from the shattered remnants of the old.

If our civilization is to be perpetuated, the great causes of world peace, world disarmament, and world recovery must prevail. They cannot prevail until a path to their attainment is built upon honest friendship, mutual confidence, and proper cooperation among the nations.

These immense objectives upon which the future and welfare of all mankind depend must be ever in our thought in dealing with immediate and difficult problems. The solution of each one of these, upon the basis of an understanding reached after frank and fair discussion, in and of itself strengthens the foundation of the edifice of world progress we seek to erect; whereas our failure to approach difficulties and differences among nations in such a spirit serves but to undermine constructive effort.

Peace and honest friendship with all nations have been the cardinal principles by which we have ever guided our foreign relations. They

are the stars by which the world must today guide its course—a world in which our country must assume its share of leadership and responsibility.

NOTE: The White House issued the President's statement following a 2-hour meeting with the ranking members of the Senate Finance Committee and the House Ways and Means Committee.

408

Radio Remarks on the Christmas Seals Campaign
of the National Tuberculosis Association.

November 25, 1932

FOR 25 YEARS the National Tuberculosis Association and its affiliated units have been fighting tuberculosis. Today they begin their annual appeal for support through the medium of the Christmas Seal sale. The funds obtained finance a program of clinics, nursing service, preventoria, research, and education.

I commend this work to the American public as worthy of generous support. Tuberculosis, despite the steady gains that have been made against it, is still one, if not indeed the first, of our major public health problems.

It is my sincere wish that the Christmas Seal campaign will be successful so that the work of the 2,084 tuberculosis associations may continue unchecked and a still further reduction in the death rate may be achieved during the coming year.

NOTE: The President spoke from the Cabinet Room in the White House. His remarks were carried by the National Broadcasting Company and the Columbia Broadcasting System radio networks.

409

Message of Sympathy on the Death
of Leonor Llorente de Calles.

November 26, 1932

MRS. HOOVER and I are very unhappy to learn of the death of Mrs. Calles and wish to express our sincere sympathy to you and your family in your great loss.

HERBERT HOOVER

[General Plutarco Elias Calles, Mexico City, Mexico]

NOTE: Mrs. Calles, wife of the former President of Mexico, died at her home in Mexico City on November 25, 1932.

410

Message of Sympathy on the Death
of Edwin A. Van Valkenburg.

November 27, 1932

My dear Mrs. Van Valkenburg:

I am profoundly grieved to learn of the death of my dear friend, your husband, and both Mrs. Hoover and I wish you to know of our deep sympathy with you in your bereavement. The country has lost in him a citizen of distinguished patriotism, high mindedness, and zeal, and all of us who knew him well have lost an unselfish and most valued friend.

Yours faithfully,

HERBERT HOOVER

[Mrs. Edwin A. Van Valkenburg, Green Hill Road, Overbrook, Pa.]

NOTE: Mr. Van Valkenburg, former editor of the Philadelphia North American, died at Jefferson Hospital in Philadelphia, Pa., on November 26, 1932.

411

Message to the National Conference
on the Costs of Medical Care.
November 28, 1932

[Released November 28, 1932. Dated November 26, 1932]

THE WORK of the Committee on the Costs of Medical Care during the past five years is of unusual significance. When an unofficial organization of distinguished physicians, public health officers, social scientists, and representatives of the general public engaged on a five-year program of research present their final report with its recommendations, it should command general interest.

I wish to extend to the members of the Committee my appreciation of their efforts to aid in solving one of the most vital problems facing our people today. I regret that I cannot be present at the meeting of the National Conference on the Costs of Medical Care in the New York Academy of Medicine on November 29th to hear the plans proposed by the Committee for the delivery of adequate scientific, medical care to all of our people, rich and poor, at costs which can be reasonably met by them in their various stations of life. I commend a careful study of this report to the professional and community leaders throughout the United States.

HERBERT HOOVER

NOTE: The Committee, established in 1927 with the support of eight major foundations and the Social Science Research Council, was chaired by Secretary of the Interior Ray Lyman Wilbur.

412

Message to Alfred J. McCosker on His Election
as President of the National Association of Broadcasters.
December 1, 1932

[Released December 1, 1932. Dated November 29, 1932]

My dear Mr. McCosker:

I send you my warmest congratulations on your unanimous election as President of the National Association of Broadcasters at the recent annual convention in St. Louis. It is especially noteworthy that you were chosen from the field of Independent Broadcasters.

In view of the vast scope of radio broadcasting in the United States and the direct impress it makes upon the minds of the people, its possibilities for good in advancing industrial, scientific, cultural and amusement interests, this is a signal honor and a high responsibility, which your character, broad experience, and achievements give promise of successful discharge in the public interest. You have my cordial good wishes in this work.

Yours faithfully,

HERBERT HOOVER

[Mr. Alfred J. McCosker, Director & General Manager, Bamberger Broadcasting Service, Inc., New York Office, 1440 Broadway, New York City]

NOTE: Mr. McCosker released the message in New York City. He had been elected president of the National Association of Broadcasters on November 15, 1932.

413

Message to the Chief of Police of Newark, New Jersey.
December 1, 1932

[Released December 1, 1932. Dated November 30, 1932]

My dear Chief McRell:

I wish you to know of my very deep appreciation of the admirable police arrangements during my visit to Newark on October 31st,

which added so much to my comfort and pleasure. I thank you personally most warmly, and I will be obliged if you will convey also to the members of your force my cordial thanks.

Yours faithfully,
HERBERT HOOVER

[James A. McRell, Chief of Police, Police Department, Newark, New Jersey]

NOTE: Mr. McRell released the message in Newark, N.J.

414

Message to the Annual Convention
of the Camp Directors of America.

December 2, 1932

[Released December 2, 1932. Dated November 30, 1932]

My dear Mr. Arnold:

I will be obliged if you will express my cordial greetings to the Annual Convention of the Camp Directors of America, and every good wish for a successful and inspiring conference. Camping occupies so important a place in the life of American youth that it is difficult to overestimate the value of the service of the Camp Directors in embodying to the boys and girls the high ideals of sportsmanship, cooperation and helpfulness which appeal so strongly to the youthful imagination, and consequently have so powerful an influence in shaping character.

Yours faithfully,
HERBERT HOOVER

[Mr. Wallace Greene Arnold, President, New York Section, Camp Directors Association of America, Room 3401—551 Fifth Ave., New York City]

NOTE: The message was read at the association's convention dinner which was held at the Hotel Pennsylvania in New York City.

415

Message on the Army-Navy Football Game.

December 3, 1932

[Released December 3, 1932. Dated November 21, 1932]

THE ARMY-NAVY Football Game is one of the great classics of amateur sport, and its revival as a regular annual event is gratifying to the entire country, which has long delighted in this particular national institution. It is gratifying to have had a part in this resumption of a yearly game dear to the hearts of Americans, my own included. I am indeed sorry that I cannot be present to congratulate the winning and to cheer the losing team.

NOTE: The message was printed in the program for the football game.

The military academies discontinued regular season games in 1927 but had played post-season benefit games in 1930 and 1931.

416

Message of Sympathy on the Death
of Mrs. H. Otto Wittpenn.

December 5, 1932

THE DEATH of Mrs. H. Otto Wittpenn removes from the service of the Nation a leader in humanitarian effort whose broad vision, warm sympathy and high ideals will long inspire gratitude and memory. She gave distinguished representation to the United States upon the International Prison Commission. I am deeply grieved to learn of her death.

HERBERT HOOVER

[Archibald S. Alexander, New York City]

NOTE: Mrs. Wittpenn, philanthropist and civic worker, died at her home in Hoboken, N.J., on December 4, 1932.

417

Message to President Pehr Evind Svinhufvud
on Finland's Independence Day.

December 6, 1932

ON THIS national anniversary which the people of Finland are celebrating today, I send to Your Excellency cordial greetings and the assurances of my high regard and best wishes.

HERBERT HOOVER

[His Excellency Pehr Evind Svinhufvud, The President of Finland, Helsingfors, Finland]

418

Letter to Judge James H. Wilkerson
Accepting His Request Not To Resubmit His Nomination
to the Seventh Circuit Court of Appeals.

December 6, 1932

My dear Judge Wilkerson:

I am in receipt of your letter of December 1st, asking that I should not resubmit your name to the Senate for appointment to the Seventh Circuit.

I deeply regret that you have come to this conclusion. I should have been proud to submit your name because I am confident that the people at large feel as I do the important and devoted service you have given, and the high contribution you have made to the standing of the judiciary of the United States.

Yours faithfully,

HERBERT HOOVER

[Hon. James H. Wilkerson, United States District Court, Chicago, Ill.]

NOTE: The President nominated Judge Wilkerson to the position on January 12, 1932.

Judge Wilkerson's letter, dated December 1, 1932, and released with the President's letter, follows:

840

Dear Mr. President:

Senator Glenn tells me that you have indicated your willingness to resubmit my nomination. Despite two favorable reports by the subcommittee it was not acted upon at the last session. In the light of recent statements by those who unquestionably have the power to make them effective, there seems to be no reason to expect a different result at the coming session. I wish, therefore, that my nomination be not resubmitted.

I shall always value highly your estimate of my work as evidenced by this nomination.

With sincere regards and best wishes, I am,

Very truly yours,

JAMES H. WILKERSON

[Honorable Herbert Hoover, The President, The White House, Washington, D.C.]

419

Annual Message to the Congress
on the State of the Union.

December 6, 1932

To the Senate and House of Representatives:

In accord with my constitutional duty, I transmit herewith to the Congress information upon the state of the Union together with recommendation of measures for its consideration.

Our country is at peace. Our national defense has been maintained at a high state of effectiveness. All of the executive departments of the Government have been conducted during the year with a high devotion to public interest. There has been a far larger degree of freedom from industrial conflict than hitherto known. Education and science have made further advances. The public health is to-day at its highest known level. While we have recently engaged in the aggressive contest of a national election, its very tranquillity and the acceptance of its results furnish abundant proof of the strength of our institutions.

In the face of widespread hardship our people have demonstrated daily a magnificent sense of humanity, of individual and community responsibility for the welfare of the less fortunate. They have grown in their conceptions and organization for cooperative action for the common welfare.

In the provision against distress during this winter, the great private agencies of the country have been mobilized again; the generosity of our people has again come into evidence to a degree in which all America may take great pride. Likewise the local authorities and the States are engaged everywhere in supplemental measures of relief. The provisions made for loans from the Reconstruction Finance Corporation, to States that have exhausted their own resources, guarantee that there should be no hunger or suffering from cold in the country. The large majority of States are showing a sturdy cooperation in the spirit of the Federal aid.

The Surgeon General, in charge of the Public Health Service, furnishes me with the following information upon the state of public health:

MORTALITY RATE PER 1,000 OF POPULATION ON AN ANNUAL BASIS FROM REPRESENTATIVE STATES

	General	Infant
First 9 months of—		
1928.....	11.9	67.8
1929.....	12.0	65.8
1930.....	11.4	62.0
1931.....	11.2	60.0
1932.....	10.6	55.0

The sickness rates from data available show the same trends. These facts indicate the fine endeavor of the agencies which have been mobilized for care of those in distress.

ECONOMIC SITUATION

The unparalleled world-wide economic depression has continued through the year. Due to the European collapse, the situation developed during last fall and winter into a series of most acute crises. The unprecedented emergency measures enacted and policies adopted undoubtedly saved the country from economic disaster. After serving to defend the national security, these measures began in July to show their weight and influence toward improvement of conditions in many parts of the country. The following tables of current business indicators show the general economic movement during the past eleven months.

MONTHLY BUSINESS INDICES WITH SEASONAL VARIATIONS ELIMINATED

[Monthly average 1923-1925 = 100]

Year and month	Industrial production	Factory employment	Freight-car loadings	Department store sales, value	Exports, value	Imports, value	Building contracts, all types	Industrial electric power consumption
1931								
December	74	69.4	69	81	46	48	38	89.1
1932								
January	72	68.1	64	78	39	42	31	93.9
February	69	67.8	62	78	45	41	27	98.8
March	67	66.4	61	72	41	37	26	88.0
April	63	64.3	59	80	38	36	27	82.2
May	60	62.1	54	73	37	34	26	82.0
June	59	60.0	52	71	34	36	27	78.1
July	58	58.3	51	67	32	27	27	79.2
August	60	58.8	51	66	31	29	30	73.5
September	66	60.3	54	70	33	32	30	84.0
October	66	61.1	57	70	33	32	29	84.4

The measures and policies which have procured this turn toward recovery should be continued until the depression is passed, and then the emergency agencies should be promptly liquidated. The expansion of credit facilities by the Federal Reserve System and the Reconstruction Finance Corporation has been of incalculable value. The loans of the latter for reproductive works, and to railways for the creation of employment; its support of the credit structure through loans to banks, insurance companies, railways, building and loan associations, and to agriculture has protected the savings and insurance policies of millions of our citizens and has relieved millions of borrowers from duress; they have enabled industry and business to function and expand. The assistance given to Farm Loan Banks, the establishment of the Home Loan Banks and Agricultural Credit Associations—all in their various ramifications have placed large sums of money at the disposal of the people in protection and aid. Beyond this, the extensive organization of the country in voluntary action has produced profound results.

The following table indicates direct expenditures of the Federal Government in aid to unemployment, agriculture, and financial relief over the past four years. The sums applied to financial relief multiply themselves many fold, being in considerable measure the initial capital supplied to the Reconstruction Finance Corporation, Farm Loan Banks, etc., which will be recovered to the Treasury.

	Public works ¹	Agricultural relief and financial loans
Fiscal year ending June 30—		
1930.....	\$410, 420, 000	\$156, 100, 000
1931.....	574, 870, 000	196, 700, 000
1932.....	655, 880, 000	772, 700, 000
1933.....	717, 260, 000	52, 000, 000
Total.....	2, 358, 430, 000	1, 177, 500, 000

¹ Public Building, Highways, Rivers and Harbors and their maintenance, naval and other vessels construction, hospitals, etc.

Continued constructive policies promoting the economic recovery of the country must be the paramount duty of the Government. The result of the agencies we have created and the policies we have pursued has been to buttress our whole domestic financial structure and greatly to restore credit facilities. But progress in recovery requires another element as well—that is fully restored confidence in the future. Institutions and men may have resources and credit but unless they have confidence progress is halting and insecure.

There are three definite directions in which action by the Government at once can contribute to strengthen further the forces of recovery by strengthening of confidence. They are the necessary foundations to any other action, and their accomplishment would at once promote employment and increase prices.

The first of these directions of action is the continuing reduction of all Government expenditures, whether national, State, or local. The difficulties of the country demand undiminished efforts toward economy in government in every direction. Embraced in this problem is the unquestioned balancing of the Federal Budget. That is the first necessity of national stability and is the foundation of further recovery. It must be balanced in an absolutely safe and sure manner if full confidence is to be inspired.

The second direction for action is the complete reorganization at once of our banking system. The shocks to our economic life have undoubtedly been multiplied by the weakness of this system, and until they are remedied recovery will be greatly hampered.

The third direction for immediate action is vigorous and whole-souled cooperation with other governments in the economic field. That our major difficulties find their origins in the economic weakness of foreign nations requires no demonstration. The first need to-day is strengthening of commodity prices. That can not be permanently accomplished by artificialities. It must be accomplished by expansion in consumption of goods through the return of stability and confidence in the world at large and that in turn can not be fully accomplished without cooperation with other nations.

BALANCING THE BUDGET

I shall in due course present the Executive Budget to the Congress. It will show proposed reductions in appropriations below those enacted by the last session of the Congress by over \$830,000,000. In addition I shall present the necessary Executive orders under the recent act authorizing the reorganization of the Federal Government which, if permitted to go into force, will produce still further substantial economies. These sums in reduction of appropriations will, however, be partially offset by an increase of about \$250,000,000 in uncontrollable items such as increased debt services, etc.

In the Budget there is included only the completion of the Federal public works projects already undertaken or under contract. Speeding up of Federal public works during the past four years as an aid to employment has advanced many types of such improvements to the point where further expansion can not be justified in their usefulness to the Government or the people. As an aid to unemployment we should beyond the normal constructive programs substitute reproductive or so-called self-liquidating works. Loans for such purposes have been provided for through the Reconstruction Finance Corporation. This change in character of projects directly relieves the taxpayer and is capable of expansion into a larger field than the direct Federal works. The reproductive works constitute an addition to national wealth and to future employment, whereas further undue expansion of Federal public works is but a burden upon the future.

The Federal construction program thus limited to commitments and work in progress under the proposed appropriations contemplates expenditures for the next fiscal year, including naval and other vessel construction, as well as other forms of public works and maintenance, of a total of \$442,769,000, as compared with \$717,262,000 for the present year.

The expenditure on such items over the four years ending June 30 next will amount to \$2,350,000,000, or an amount of construction work eight times as great as the cost of the Panama Canal and, except for completion of certain long-view projects, places the Nation in many directions

well ahead of its requirements for some years to come. A normal program of about \$200,000,000 per annum should hereafter provide for the country's necessities and will permit substantial future reduction in Federal expenditures.

I recommend that the furlough system installed last year be continued not only because of the economy produced but because, being tantamount to the "5-day week," it sets an example which should be followed by the country and because it embraces within its workings the "spread work" principle and thus serves to maintain a number of public servants who would otherwise be deprived of all income. I feel, however, in view of the present economic situation and the decrease in the cost of living by over 20 per cent, that some further sacrifice should be made by salaried officials of the Government over and above the $8\frac{1}{3}$ per cent reduction under the furlough system. I will recommend that after exempting the first \$1,000 of salary there should be a temporary reduction for one year of 11 per cent of that part of all Government salaries in excess of the \$1,000 exemption, the result of which, combined with the furlough system, will average about 14.8 per cent reduction in pay to those earning more than \$1,000.

I will recommend measures to eliminate certain payments in the veterans' services. I conceive these outlays were entirely beyond the original intentions of Congress in building up veterans' allowances. Many abuses have grown up from ill-considered legislation. They should be eliminated. The Nation should not ask for a reduction in allowances to men and dependents whose disabilities rise out of war service nor to those veterans with substantial service who have become totally disabled from non-war-connected causes and who are at the same time without other support. These latter veterans are a charge on the community at some point, and I feel that in view of their service to the Nation as a whole the responsibility should fall upon the Federal Government.

Many of the economies recommended in the Budget were presented at the last session of the Congress but failed of adoption. If the Economy and Appropriations Committees of the Congress in canvassing these proposed expenditures shall find further reductions which

can be made without impairing essential Government services, it will be welcomed both by the country and by myself. But under no circumstances do I feel that the Congress should fail to uphold the total of reductions recommended.

Some of the older revenues and some of the revenues provided under the act passed during the last session of the Congress, particularly those generally referred to as the nuisance taxes, have not been as prolific of income as had been hoped. Further revenue is necessary in addition to the amount of reductions in expenditures recommended. Many of the manufacturers' excise taxes upon selected industries not only failed to produce satisfactory revenue, but they are in many ways unjust and discriminatory. The time has come when, if the Government is to have an adequate basis of revenue to assure a balanced Budget, this system of special manufacturers' excise taxes should be extended to cover practically all manufactures at a uniform rate, except necessary food and possibly some grades of clothing.

At the last session the Congress responded to my request for authority to reorganize the Government departments. The act provides for the grouping and consolidation of executive and administrative agencies according to major purpose, and thereby reducing the number and overlap and duplication of effort. Executive orders issued for these purposes are required to be transmitted to the Congress while in session and do not become effective until after the expiration of 60 calendar days after such transmission, unless the Congress shall sooner approve.

I shall issue such Executive orders within a few days grouping or consolidating over fifty executive and administrative agencies including a large number of commissions and "independent" agencies.

The second step, of course, remains that after these various bureaus and agencies are placed cheek by jowl into such groups, the administrative officers in charge of the groups shall eliminate their overlap and still further consolidate these activities. Therein lie large economies.

The Congress must be warned that a host of interested persons inside and outside the Government whose vision is concentrated on some particular function will at once protest against these proposals. These same sorts of activities have prevented reorganization of the

Government for over a quarter of a century. They must be disregarded if the task is to be accomplished.

BANKING

The basis of every other and every further effort toward recovery is to reorganize at once our banking system. The shocks to our economic system have undoubtedly multiplied by the weakness of our financial system. I first called attention of the Congress in 1929 to this condition, and I have unceasingly recommended remedy since that time. The subject has been exhaustively investigated both by the committees of the Congress and the officers of the Federal Reserve System.

The banking and financial system is presumed to serve in furnishing the essential lubricant to the wheels of industry, agriculture, and commerce, that is, credit. Its diversion from proper use, its improper use, or its insufficiency instantly brings hardship and dislocation in economic life. As a system our banking has failed to meet this great emergency. It can be said without question of doubt that our losses and distress have been greatly augmented by its wholly inadequate organization. Its inability as a system to respond to our needs is to-day a constant drain upon progress toward recovery. In this statement I am not referring to individual banks or bankers. Thousands of them have shown distinguished courage and ability. On the contrary, I am referring to the system itself, which is so organized, or so lacking in organization, that in an emergency its very mechanism jeopardizes or paralyzes the action of sound banks and its instability is responsible for periodic dangers to our whole economic system.

Bank failures rose in 1931 to 10½ per cent of all the banks as compared to 1½ per cent of the failures of all other types of enterprise. Since January 1, 1930, we have had 4,665 banks suspend, with \$3,300,000,000 in deposits. Partly from fears and drains from abroad, partly from these failures themselves (which indeed often caused closing of sound banks), we have witnessed hoarding of currency to an enormous sum, rising during the height of the crisis to over \$1,600,000,000. The results from interreaction of cause and effect have expressed themselves in strangulation of credit which at times has almost stifled the Nation's

business and agriculture. The losses, suffering, and tragedies of our people are incalculable. Not alone do they lie in the losses of savings to millions of homes, injury by deprivation of working capital to thousands of small businesses, but also, in the frantic pressure to recall loans to meet pressures of hoarding and in liquidation of failed banks, millions of other people have suffered in the loss of their homes and farms, businesses have been ruined, unemployment increased, and farmers' prices diminished.

That this failure to function is unnecessary and is the fault of our particular system is plainly indicated by the fact that in Great Britain, where the economic mechanism has suffered far greater shocks than our own, there has not been a single bank failure during the depression. Again in Canada, where the situation has been in large degree identical with our own, there have not been substantial bank failures.

The creation of the Reconstruction Finance Corporation and the amendments to the Federal Reserve Act served to defend the Nation in a great crisis. They are not remedies; they are relief. It is inconceivable that the Reconstruction Corporation, which has extended aid to nearly 6,000 institutions and is manifestly but a temporary device, can go on indefinitely.

It is to-day a matter of satisfaction that the rate of bank failures, of hoarding, and the demands upon the Reconstruction Corporation have greatly lessened. The acute phases of the crisis have obviously passed and the time has now come when this national danger and this failure to respond to national necessities must be ended and the measures to end them can be safely undertaken. Methods of reform have been exhaustively examined. There is no reason now why solution should not be found at the present session of the Congress. Inflation of currency or governmental conduct of banking can have no part in these reforms. The Government must abide within the field of constructive organization, regulation, and the enforcement of safe practices only.

Parallel with reform in the banking laws must be changes in the Federal Farm Loan Banking system and in the Joint Stock Land Banks. Some of these changes should be directed to permanent improve-

ment and some to emergency aid to our people where they wish to fight to save their farms and homes.

I wish again to emphasize this view—that these widespread banking reforms are a national necessity and are the first requisites for further recovery in agriculture and business. They should have immediate consideration as steps greatly needed to further recovery.

ECONOMIC COOPERATION WITH OTHER NATIONS

Our major difficulties during the past two years find their origins in the shocks from economic collapse abroad which in turn are the aftermath of the Great War. If we are to secure rapid and assured recovery and protection for the future we must cooperate with foreign nations in many measures.

We have actively engaged in a World Disarmament Conference where, with success, we should reduce our own tax burdens and the tax burdens of other major nations. We should increase political stability of the world. We should lessen the danger of war by increasing defensive powers and decreasing offensive powers of nations. We would thus open new vistas of economic expansion for the world.

We are participating in the formulation of a World Economic Conference, successful results from which would contribute much to advance in agricultural prices, employment, and business. Currency depreciation and correlated forces have contributed greatly to decrease in price levels. Moreover, from these origins rise most of the destructive trade barriers now stifling the commerce of the world. We could by successful action increase security and expand trade through stability in international exchange and monetary values. By such action world confidence could be restored. It would bring courage and stability, which will reflect into every home in our land.

The European governments, obligated to us in war debts, have requested that there should be suspension of payments due the United States on December 15 next, to be accompanied by exchange of views upon this debt question. Our Government has informed them that we do not approve of suspension of the December 15 payments. I have stated that I would recommend to the Congress methods to over-

come temporary exchange difficulties in connection with this payment from nations where it may be necessary.

In the meantime I wish to reiterate that here are three great fields of international action which must be considered not in part but as a whole. They are of most vital interest to our people. Within them there are not only grave dangers if we fail in right action but there also lie immense opportunities for good if we shall succeed. Within success there lie major remedies for our economic distress and major progress in stability and security to every fireside in our country.

The welfare of our people is dependent upon successful issue of the great causes of world peace, world disarmament, and organized world recovery. Nor is it too much to say that to-day as never before the welfare of mankind and the preservation of civilization depend upon our solution of these questions. Such solutions can not be attained except by honest friendship, by adherence to agreements entered upon until mutually revised and by cooperation amongst nations in a determination to find solutions which will be mutually beneficial.

OTHER LEGISLATION

I have placed various legislative needs before the Congress in previous messages, and these views require no amplification on this occasion. I have urged the need for reform in our transportation and power regulation, in the antitrust laws as applied to our national resource industries, western range conservation, extension of Federal aid to child-health services, membership in the World Court, the ratification of the Great Lakes-St. Lawrence Seaway Treaty, revision of the bankruptcy acts, revision of Federal court procedure, and many other pressing problems.

These and other special subjects I shall where necessary deal with by special communications to the Congress.

The activities of our Government are so great, when combined with the emergency activities which have arisen out of the world crisis, that even the briefest review of them would render the annual message unduly long. I shall therefore avail myself of the fact that every detail

of the Government is covered in the reports to the Congress by each of the departments and agencies of the Government.

CONCLUSION

It seems to me appropriate upon this occasion to make certain general observations upon the principles which must dominate the solution of problems now pressing upon the Nation. Legislation in response to national needs will be effective only if every such act conforms to a complete philosophy of the people's purposes and destiny. Ours is a distinctive government with a unique history and background, consciously dedicated to specific ideals of liberty and to a faith in the inviolable sanctity of the individual human spirit. Furthermore, the continued existence and adequate functioning of our government in preservation of ordered liberty and stimulation of progress depends upon the maintenance of State, local, institutional, and individual sense of responsibility. We have builded a system of individualism peculiarly our own which must not be forgotten in any governmental acts, for from it have grown greater accomplishments than those of any other nation.

On the social and economic sides, the background of our American system and the motivation of progress is essentially that we should allow free play of social and economic forces as far as will not limit equality of opportunity and as will at the same time stimulate the initiative and enterprise of our people. In the maintenance of this balance the Federal Government can permit of no privilege to any person or group. It should act as a regulatory agent and not as a participant in economic and social life. The moment the Government participates, it becomes a competitor with the people. As a competitor it becomes at once a tyranny in whatever direction it may touch. We have around us numerous such experiences, no one of which can be found to have justified itself except in cases where the people as a whole have met forces beyond their control, such as those of the Great War and this great depression, where the full powers of the Federal Government must be exerted to protect the people. But even these must be limited

to an emergency sense and must be promptly ended when these dangers are overcome.

With the free development of science and the consequent multitude of inventions, some of which are absolutely revolutionary in our national life, the Government must not only stimulate the social and economic responsibility of individuals and private institutions but it must also give leadership to cooperative action amongst the people which will soften the effect of these revolutions and thus secure social transformations in an orderly manner. The highest form of self-government is the voluntary cooperation within our people for such purposes.

But I would emphasize again that social and economic solutions, as such, will not avail to satisfy the aspirations of the people unless they conform with the traditions of our race deeply grooved in their sentiments through a century and a half of struggle for ideals of life that are rooted in religion and fed from purely spiritual springs.

HERBERT HOOVER

The White House,
December 6, 1932.

420

Message to the Federal Council
of the Churches of Christ in America.
December 6, 1932

My dear Bishop McDowell:

I deeply appreciate your cordial invitation to deliver a radio message on the occasion of the meeting of the Federal Council of Churches of Christ in America in Indianapolis December 6. I deeply regret that the pressure of public business connected with the opening of the session of the Congress makes it impossible for me to command the time for such a service.

I will be obliged if you will convey to the meeting the assurance of my very high regard for the Federal Council and its purposes in our

life. I especially appreciate and commend the wise and hearty cooperation on the part of the churches in the promotion of social service, better relations and the creation of that spiritual and ethical tone so absolutely essential to our life as a people.

Yours faithfully,

HERBERT HOOVER

NOTE: The message was sent to Bishop William F. McDowell, chairman of the Washington, D.C., committee of the council, and was made public in conjunction with the organization's quadrennial meeting.

421

Annual Budget Message to the Congress,
Fiscal Year 1934.
December 7, 1932

[Released December 7, 1932. Dated December 5, 1932]

To the Congress of the United States:

I have the honor to transmit herewith the Budget of the United States for the fiscal year ending June 30, 1934. The appropriations herein recommended for the fiscal year 1934 have been reduced by about \$830,000,000 below the appropriations for the current fiscal year, which reduction is offset by about \$250,000,000 of unavoidable increases in items not subject to administrative control, making a net reduction of about \$580,000,000.

The following tabulation summarizes the estimates of appropriations (*a*) as contained in the body of the Budget and (*b*) as modified by the further recommendations contained in this Message, compared with the appropriations made by the Congress for the current fiscal year:

Department or establishment	Fiscal year 1934 estimates		Fiscal year 1933, appropriations	Increase (+) or decrease (—) of fiscal year 1934 compared with fiscal year 1933	
	As estimated in the body of the Budget	As modified by additional recom- mendations in the Budget Message		As estimated in the body of the Budget	As modified by additional recom- mendations in the Budget Message
Legislative.....	\$21, 088, 928	¹ \$17, 558, 317	\$18, 822, 141	+\$2, 266, 787	—\$1, 263, 824
Executive Office and Independent Establish- ments (except Veterans' Administration)....	47, 062, 220	45, 771, 848	84, 892, 891	—37, 830, 671	—39, 121, 043
Veterans' Administration.....	1, 060, 976, 834	931, 077, 773	1, 020, 464, 000	+40, 512, 834	—89, 386, 227
Agriculture.....	118, 814, 909	115, 883, 297	317, 883, 236	—199, 068, 327	—201, 999, 939
Commerce.....	37, 934, 323	36, 409, 372	44, 784, 408	—6, 850, 085	—8, 375, 036
Interior.....	58, 190, 929	56, 594, 543	81, 325, 484	—23, 134, 555	—24, 730, 941
Justice.....	45, 082, 487	43, 421, 843	45, 996, 000	—913, 513	—2, 574, 157
Labor.....	13, 393, 345	12, 793, 616	12, 924, 770	+468, 575	—131, 154
Navy.....	309, 647, 536	308, 695, 579	328, 906, 141	—19, 258, 605	—20, 210, 562
Post Office:					
From postal revenues.....	627, 293, 161	627, 293, 161	651, 104, 675	—23, 811, 514	—23, 811, 514
From the Treasury.....	97, 000, 000	67, 215, 330	155, 000, 000	—58, 000, 000	—87, 784, 670
State.....	13, 008, 627	12, 505, 304	13, 694, 793	—686, 166	—1, 189, 489
Treasury.....	289, 861, 557	284, 898, 147	375, 027, 597	—85, 166, 040	—90, 129, 450
War:					
Military.....	278, 606, 741	276, 863, 201	305, 739, 924	—27, 133, 183	—28, 876, 723
Nonmilitary.....	73, 296, 440	71, 559, 462	151, 718, 158	—78, 421, 718	—80, 158, 696
Panama Canal.....	13, 106, 404	12, 553, 368	11, 146, 661	+1, 959, 743	+1, 406, 707
District of Columbia.....	39, 743, 270	38, 643, 862	44, 497, 622	—4, 754, 352	—5, 853, 760
Public Debt:					
Reduction in principal.....	534, 070, 321	534, 070, 321	496, 803, 478	+37, 266, 843	+37, 266, 843
Interest.....	725, 000, 000	725, 000, 000	640, 000, 000	+85, 000, 000	+85, 000, 000
Total.....	4, 403, 178, 032	4, 218, 808, 344	4, 800, 731, 979	—397, 553, 947	—581, 923, 635

¹ After deducting \$1,968,000, Economy Act Savings.

The appropriations which I recommend be made for the fiscal year ending June 30, 1934, as shown above, total \$4,218,808,344, and are predicated upon the enactment of legislation, which I hereby recommend, providing (*a*) for a temporary reduction in the rate of pay of Federal personnel, to be applied to all civil employees prior to the application of the provisions of Title I of Part II of the act making appropriations for the Legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes (the continuation of which for another year is submitted in the body of the Budget), effecting an additional saving of \$55,000,000, and (*b*) amending certain laws providing for benefits to veterans, producing a further saving of \$127,000,000. I recommend that this legislation be in the language appended to this Message.

EXPENDITURES

The appropriations made for any fiscal year control the obligations which may be incurred during that year, but do not accurately reflect the expenditures of the year, as many expenditures are made in liquidation of obligations of a prior year and out of the prior year's appropriation, while many obligations incurred during the year are liquidated in a subsequent year.

Expenditures, therefore, while based upon the appropriations available must be separately estimated. The following tabulation summarizes the expenditures contemplated during the fiscal year 1934 under appropriations (*a*) as recommended in the body of the Budget and (*b*) as modified by the further recommendations contained in this Message, compared with the estimated expenditures for the current fiscal year:

Department or establishment	Fiscal year 1934		Fiscal year 1933, as estimated in the body of the Budget	Increase (+) or decrease (—) of fiscal year 1934 compared with fiscal year 1933	
	As estimated in the body of the Budget	As modified by additional recom- mendations in the Budget Message		As estimated in the body of the Budget	As modified by additional recom- mendations in the Budget Message
Legislative.....	\$20,581,300	\$17,050,700	\$24,675,800	—\$4,094,500	—\$7,625,100
Executive Office and Independent Establish- ments (except Veterans' Administration).....	51,675,800	50,385,500	128,904,800	—77,229,000	—78,519,300
Veterans' Administration.....	1,105,008,000	975,109,000	1,073,381,000	+31,627,000	—98,272,000
Agriculture.....	144,876,400	141,944,800	314,204,500	—169,328,100	—172,259,700
Commerce.....	40,066,000	38,541,100	44,743,400	—4,677,400	—6,202,300
Interior.....	71,010,500	69,414,200	75,605,800	—4,595,300	—6,191,600
Justice.....	44,654,000	42,993,400	46,081,300	—1,427,300	—3,087,900
Labor.....	13,368,500	12,768,800	12,337,400	+1,031,100	+431,400
Navy.....	330,126,000	329,174,100	356,360,500	—26,234,500	—27,186,400
Post Office:					
From postal revenues.....	625,000,000	625,000,000	600,000,000	+25,000,000	+25,000,000
From the Treasury.....	97,075,000	67,290,400	134,075,000	—37,000,000	—66,784,600
State.....	13,118,800	12,615,500	14,779,000	—1,660,200	—2,163,500
Treasury.....	336,365,700	331,402,300	367,725,800	—31,360,100	—36,323,500
War:					
Military.....	286,046,400	284,302,900	306,409,200	—20,362,800	—22,106,300
Nonmilitary.....	108,071,000	106,334,100	121,077,700	—13,006,700	—14,743,600
Panama Canal.....	12,933,000	12,380,000	13,421,800	—488,800	—1,041,800
District of Columbia.....	40,747,500	39,648,100	41,952,000	—1,204,500	—2,303,900
Public debt:					
Reduction in principal.....	534,070,300	534,070,300	498,153,400	+35,916,900	+35,916,900
Interest.....	725,000,000	725,000,000	695,000,000	+30,000,000	+30,000,000
Total.....	4,599,794,200	4,415,425,200	4,868,888,400	—269,094,200	—453,463,200
Deduct Postal Service payable from postal revenues.....	625,000,000	625,000,000	600,000,000	+25,000,000	+25,000,000
Total payable from the Treasury.....	3,974,794,200	3,790,425,200	4,268,888,400	—294,094,200	—478,463,200

The total expenditure in 1934 is increased above the normal carry-over of funds from prior appropriations by \$110,000,000 from the 1933 appropriations for construction as contained in the Emergency Relief and Construction Act, in opposition to which appropriations I presented my views to the last Congress. This unusual carry-over accounts for the major difference between reduction of appropriations and reduction of expenditures.

EXPENDITURES AND RECEIPTS

The following tabulation summarizes the estimated expenditures and receipts for the fiscal years 1934 and 1933 compared with the actual expenditures and receipts for 1932. The expenditures for 1934 are predicated upon the appropriations for that year recommended above and the receipts for 1934 upon existing revenue laws:

	1934	1933	1932
Total payable from Treasury.....	\$3, 790, 425, 200	\$4, 268, 888, 400	\$5, 006, 590, 305
Deduct public-debt retirements.....	534, 070, 300	498, 153, 400	412, 629, 750
Total other expenditures.....	3, 256, 354, 900	3, 770, 735, 000	4, 593, 960, 555
Receipts.....	2, 949, 162, 713	2, 624, 256, 693	2, 121, 228, 006
Excess of expenditures.....	307, 192, 187	1, 146, 478, 307	2, 472, 732, 549

From this tabulation it will be seen that, in spite of the large reduction in expenditures, the revenues under existing laws are expected to fall short of providing sufficient money to avoid a further increase in the public debt in the fiscal year 1934 by about \$307,000,000.

To meet this situation I recommend—

(a) That the Federal tax on gasoline, which is effective only until June 30, 1933, be continued until June 30, 1934, producing about \$137,000,000 additional revenue in the fiscal year 1934, and

(b) That the manufacturers' excise taxes now imposed on certain articles be extended and in part replaced by a general uniform tax (excluding food). I have been advised that the annual yield of such a general tax, at a 2¼ per cent rate, would be approximately \$355,000,000.

The additional \$492,000,000 of revenue produced in this way will not only make possible the replacements referred to above but will also avoid a further increase in the public debt during the fiscal year 1934. The details of these recommendations will be presented by the Secretary of the Treasury.

CONTINUANCE OF CERTAIN ECONOMY PROVISIONS

In arriving at the amounts of the estimates of appropriations contained in this Budget for the Executive branch of the Government, I have predicated my action on a continuance during the fiscal year 1934 of certain sections or parts of sections of the so-called Economy Act of June 30, 1932, which, by the terms of that act, are now limited in their application to the fiscal year 1933. The recommendation for the continuance of these sections of the Economy Act will be found in the general provisions which have been incorporated in the chapter of this Budget pertaining to the Post Office Department. These provisions have been inserted in that chapter for the reason that it has been the general policy of Congress to include in the consolidated act making appropriations for the Treasury and Post Office Departments general provisions which are to have application to all departments and establishments.

The provisions of section 110 of the Economy Act, which deal with the impounding of funds unexpended by reason of the operation of the provisions of Title I of that act are not, of course, recommended for continuance as the savings which will result from the continuance during 1934 of the provisions of this title have been taken into consideration in framing the estimates of appropriations for 1934, including the permanent appropriation estimates. With regard to the permanent specific appropriations there is included in the recommendations a provision that these appropriations shall be reduced for 1934 in an amount which represents the savings which will be made therefrom by the continuance of the provisions of the Economy Act.

I am recommending the retention of so much of section 202 as precludes administrative promotions, but do not recommend the continuance of that portion of said section, nor of section 203, which for

the current fiscal year requires the written authorization or approval of the President for the filling of vacant positions. This is a detail of administrative responsibility which should be restored to the heads of the departments and establishments where it has uniformly rested in the past. The estimates of appropriations for 1934 provide only for the personnel needed under the existing organizational set-up. If vacancies occur which are not necessary to be filled I am confident that we can rely upon the heads of the departments and establishments to see that they are not filled. I feel that we are weakening the responsibility which should devolve upon and be intrusted in the heads of the departments and establishments by requiring the Chief Executive to authorize or approve in writing the filling of any vacancies which may occur in their personnel.

The reductions in the estimates of appropriations contained in this Budget which are due to the recommendation that certain provisions of the Economy Act be continued in force during 1934 amount to \$97,398,000. This is exclusive of the estimates of appropriations for the Legislative branch of the Government which do not, of course, reflect the savings which would result from the continuance in 1934 of these provisions of the Economy Act. The Budget and Accounting Act of 1921 provides that the estimates for the Legislative branch of the Government shall be presented to the Congress without Executive revision. If these provisions of the Economy Act are continued in effect during 1934 they would automatically reflect a reduction in the estimates of appropriations for the Legislative establishment of approximately \$1,968,000.

MOTOR VEHICLES

The provisions which have appeared annually in the separate appropriation acts relating to the purchase, use, and general maintenance of passenger-carrying automobiles have been consolidated and appear as section 3 of the Post Office Department chapter of this Budget, in language which makes the provision applicable to the appropriations for all of the Executive departments and independent establishments for the fiscal year 1934. The adoption of a general provision will assure

uniformity and avoid the necessity of carrying individual restrictions of this nature in each of the appropriation acts.

VETERANS' ADMINISTRATION

The appropriations recommended for the Veterans' Administration for 1934 amount to \$931,078,000, after deducting the savings to be accomplished by the legislation recommended above. The appropriations for 1933 total \$1,020,464,000. Without the savings now recommended above the appropriations for 1934 would exceed \$1,060,000,000. About \$21,000,000 of each of these amounts represents the cost of the civil-service retirement and disability fund which is administered by the Veterans' Administration. Deducting this amount gives a cost for care of veterans for 1934 of \$932,956,000 as against \$999,464,000 for 1933. This would indicate a decrease of about \$66,500,000, but the Veterans' Administration will require an additional amount of about \$16,250,000 for military and naval insurance during the current fiscal year, so that the real decrease in cost for 1934 under 1933 is about \$82,750,000.

The principal items of decrease are the \$127,000,000 to be accomplished by the legislation mentioned above, and decreases in construction and in general administration. These decreases are partially offset by increases in military and naval insurance, and in military and naval compensation.

RETIREMENT FUNDS

The actuarial revaluation of the Civil Service Retirement and Disability Fund so as to cover the changes made by the act of May 29, 1930, has not been completed. Pending the completion of this revaluation the estimates for the financing of the Government's liability to the fund is presented in the same amount as has been appropriated for each of the last two years, namely, \$20,850,000.

With regard to the Foreign Service Retirement and Disability Fund the actuarial valuation shows that a Federal contribution of \$427,000 will be required for the fiscal year 1934 to maintain the solvency of the fund. The Government's liability to the fund was increased by the act approved February 23, 1931, but there has been no change in

the existing statutory authorization that appropriations to meet the Government's liability should at no time exceed the total of the contributions of the Foreign Service officers and accumulated interest thereon. Under existing law there is no authorization for an appropriation for 1934 in excess of \$292,700, so that this Budget contains an estimate in that amount only.

SHIPPING BOARD

No direct appropriation for the Shipping Board shipping fund was made for 1933, the operating costs for that year being met by the authority granted by Congress to utilize balances and reserves on hand. In addition to recommending a continuance of this authority for 1934, the estimate for the shipping fund contained in this Budget provides for a direct appropriation of \$2,875,000. The requirements of the Shipping Board shipping fund to meet its operating costs is dependent upon the lines of vessels which it may operate and each line which is sold operates to reduce the amount needed. Where the sale of lines by the Shipping Board is conditional upon the private operators receiving an ocean mail contract from the Post Office Department the board should be in a position to transfer to that department the savings which are reflected in the operating costs. For this purpose a provision has been incorporated in the estimates of appropriations for the Shipping Board to permit of the transfer of not exceeding \$4,000,000 to the Post Office Department to be available only for meeting the cost in 1934 of ocean mail contracts entered into by that department under the provisions of the Merchant Marine Act of 1928 for service upon steamship lines which may be sold by the Shipping Board.

PUBLIC WORKS

Speaking generally of public works, this program is well in advance of the country's immediate need by virtue of the vast appropriations made for this purpose as a means of increasing employment. The authorization of large programs of self liquidation works to be financed by the Reconstruction Finance Corporation provides aid to employment

upon an even larger scale without burden upon the taxpayers. For this reason the estimates for public works generally for 1934 show a marked reduction below the appropriations for 1933.

FEDERAL-AID HIGHWAY SYSTEM

The authorization for appropriations for the Federal-aid highway system expires with the current fiscal year, 1933, and the unappropriated balance of the authorizations amounts to \$51,560,000. This Budget contains an estimate of appropriation of \$40,000,000 of this balance, this being the amount which will be required for expenditure in 1934 in the absence of any further legislative authorization for appropriation. I earnestly recommend to the Congress that there be no further grant of legislative authority for appropriation for Federal-aid highways until the financial condition of the Treasury justifies such action. The annual program of Federal aid for the highway system was increased from \$75,000,000 to \$125,000,000 beginning with the fiscal year 1931, and has been materially further advanced within the last two years by the appropriation of \$80,00,000 made in the Emergency Construction Appropriation Act of December 20, 1930, and the appropriation of \$120,000,000 contained in the Emergency Relief and Construction Act of July 21, 1932. I am not unmindful that these emergency appropriations, amounting to \$200,000,000, represent advances only and that under the provisions of the acts making them the entire amount, less the \$15,000,000, returnable to the United States from the authorization for 1933, is eventually to be reimbursed to the United States by deductions from the apportionments which may be made to the States under any future authorizations that may be granted for carrying out the Federal Highway Act. I do not, however, view this as a commitment which of itself necessitates further authorization for Federal appropriations until such time as the financial condition of the Treasury justifies such action.

BUILDINGS

The Federal public building program authorized by the act of May 25, 1926, is progressing satisfactorily and the activities under it have been of material assistance in the relief of the unemployed. The program

involves a total expenditure for all purposes of approximately \$700,000,000, of which \$190,000,000 is for land and buildings in the District of Columbia.

In furtherance of the provisions of the enabling legislation 817 projects have been specifically authorized at limits of cost aggregating \$470,717,000. On October 31, last, 254 of these projects had been completed, 400 projects were under contract either in whole or in part, and 110 projects were being processed toward the contract stage, the drawings therefor having been completed. In accordance with provisions of the Legislative Appropriation Act for the fiscal year 1932, original limits of cost were reduced 10 per cent for over two hundred projects not under contract on July 1, 1932. Further savings have been made as a result of the decline in price of materials, and it is estimated that of the \$470,717,000 specifically authorized for the 817 projects, at least \$40,000,000 will be saved and all of them completed within \$430,000,000.

In carrying on the program, including additional land in the District of Columbia, obligations aggregating \$378,804,417.52, were incurred to October 31, last, and \$261,278,065.75 actually expended.

The funds available for expenditure in the fiscal year 1933 amount to \$134,053,401.19. It is expected that this amount, together with the \$60,000,000 included in the estimates for 1934 now transmitted, will all be spent in fiscal years 1933 and 1934.

These activities under the building program were increased to a marked degree by the appropriation of \$100,000,000 for public buildings contained in the Emergency Relief and Construction Act of 1932, which was approved on July 21, 1932. This act stipulated that the projects undertaken under the emergency appropriation should be selected from those to which funds authorized under the regular public building program had been allocated. After a comprehensive survey of applicable conditions about 410 projects have been selected and plans have been laid to proceed with the work to the end that practically all of the funds appropriated will be obligated in the fiscal years 1933 and 1934.

No provision is made for additional projects in the Budget now transmitted, other than estimates aggregating \$2,505,000 for miscel-

laneous projects not coming within the purview of the regular building program, as I do not deem further building at this time in the public interest.

RIVERS AND HARBORS AND FLOOD CONTROL

The estimate for the annual appropriation for the maintenance and improvement of existing river and harbor works contained in this Budget is \$39,388,129, a reduction from the comparable amount of the regular annual appropriation for 1933 of \$20,161,871. The emergency appropriations made last July for public works, with a view to increasing employment, contained \$30,000,000 for rivers and harbors, which is in addition to the annual appropriation of \$60,000,000 for 1933. Adding the estimate of appropriation for 1934 to the two appropriations for the current fiscal year will provide \$129,388,129 for the two years, or an average of nearly \$65,000,000 per year, and if there be included with these appropriations the amount of cash on hand June 30, 1932, the cash availability for river and harbor works during the fiscal years 1933 and 1934 totals approximately \$149,445,000, or an average of \$74,722,000 per year. Because of a reduction in the cost of labor and materials for work of this character the value of the work of river and harbor improvement which can be accomplished during the fiscal years 1933 and 1934 with the funds available would represent an increase of from 15 to 40 per cent, or between \$171,862,000 and \$209,223,000 at 1929 costs.

For flood control the 1934 estimates of annual appropriations provide \$19,653,424 for the Mississippi River and its tributaries and \$768,480 for the Sacramento River, reductions of \$12,066,576 and \$207,520 from comparable amounts provided in the regular annual appropriations for 1933. In addition to the regular annual appropriation of \$32,000,000 for the fiscal year 1933, there was provided \$15,500,000 for flood-control work on the Mississippi River and its tributaries by the relief act approved July 21, 1932. Adding the estimate of appropriation for 1934 to the two appropriations for the current fiscal year will provide \$67,153,424 for flood control on the Mississippi for the two years, or

an average of over \$33,500,000 per year, and if the cash on hand on June 30, 1932, be included the cash availability for the two years is approximately \$85,523,000, or an average of \$42,761,000 per year. In value of work these amounts will produce an increase of between 15 and 40 per cent over the work which could have been secured with the same amounts at 1929 costs, due to the reduction which has taken place in the cost of this character of work.

The total of the estimates contained in this Budget for rivers and harbors (including maintenance and operation of Dam No. 2, Muscle Shoals) and flood control is \$71,255,217, of which \$49,935,313 is for rivers and harbors and \$21,319,904 for flood control. The total of \$71,255,217 includes \$10,868,500 to meet requirements under authorizations of law covering permanent specific and indefinite appropriations, advances, and contributions for rivers and harbors, and flood-control work.

PANAMA CANAL

For maintenance and operation of the Panama Canal and the sanitation and civil government of the Canal Zone this Budget provides for a total of \$13,106,404, after deducting \$471,718 to cover reductions based upon a continuation in 1934 of certain provisions of the Economy Act. This gives \$13,578,122 to be used for purposes of comparison with the 1933 appropriation of \$11,146,661, and indicates a net increase in 1934 of \$2,431,461. However, it is to be noted that the Budget estimate for 1933 was reduced by \$3,500,000 and the amount appropriated supplemented to the same extent by a provision in the act reading "and such sums, aggregating not to exceed \$3,500,000, as may be deposited in the Treasury of the United States as dividends by the Panama Railroad Co. in excess of 10 per centum of the capital stock of such company." While this resulted in a facial reduction in the estimate as submitted in the Budget for 1933, it did not affect any saving, as it reduced by a corresponding amount the dividends which otherwise would have been paid into the Treasury by the Panama Railroad Co. Therefore, from the standpoint of availability of funds, the 1934 estimate is \$1,068,539 below the appropriations for 1933.

TREASURY DEPARTMENT

The estimates of appropriations for the Treasury Department as presented in this Budget, aside from interest on the public debt and public-debt retirements from ordinary receipts, are \$85,166,000 less than the appropriations for 1933. Excluding the amount of deductions predicated on a continuance of certain sections of the Economy Act, which amount to approximately \$8,000,000, and taking into consideration that an additional amount of about \$40,000,000 will be required in 1933 for refunding taxes illegally collected, the net decrease, aside from the public-debt items, amounts to approximately \$37,160,000.

The principal decrease is \$148,000,000 in the items for construction of new Federal buildings. This decrease is made possible by reduced expenditure requirements amounting to \$48,000,000 under the regular public-building program and the fact that the Emergency Relief and Construction Act of 1932 provided \$100,000,000 for public buildings, which is available during 1933 and subsequent years. Among the other decreases are \$5,700,000 for customs administration, due largely to reimbursable items resulting from the decline in customs receipts; \$1,084,000 in the Coast Guard items; and \$753,000 under the Bureau of Engraving and Printing due to reduced production program.

On the increase side the main items, excluding those pertaining to the public debt, are \$68,000,000 for refunding taxes illegally collected, for which no direct appropriation was made for the current fiscal year, and \$7,715,000 for the Office of the Supervising Architect, which is made up principally of items having to do with the operation and maintenance of the large number of Federal buildings which will be completed during 1934, the remodeling and enlarging of old buildings, and the increase in force and related expenses, both in Washington and in the field, incident to the enlarged construction program.

With regard to public-debt transactions the estimate under the permanent appropriation for 1934 for interest on the public debt shows an increase of \$85,000,000 in excess of the appropriation for 1933. There is also an increase of \$37,266,843 for public-debt retirements from ordinary receipts, consisting of the cumulative sinking fund, additional

sinking-fund requirements to carry into effect the provisions of section 308 of the Emergency Relief and Construction Act of 1932, receipts from foreign governments to be applied to debt retirements, and retirements from franchise-tax receipts from Federal reserve banks.

NATIONAL DEFENSE

Excluding all items of nonmilitary nature the estimates of appropriations contained in this Budget for national defense under the War and Navy Departments amount to \$586,447,000 as compared with appropriations of \$632,466,000 for 1933, which indicates a decrease of \$46,019,000. To obtain a proper basis for comparison, however, there should be deducted \$16,996,000, which represents the deductions made in the 1934 estimates predicated upon a continuance during that fiscal year of certain provisions of the Economy Act. On this comparable basis the decrease is slightly more than \$29,000,000.

With regard to the War Department the net decrease is \$18,215,000, which results from a large number of items of increase and decrease. The principal item of decrease is Army construction, for which \$17,414,000 was appropriated in 1933 and for which no similar item is included in this Budget. Construction under the Army housing program has progressed to such a stage that a postponement of further construction can be made at this time without detriment to the Army. Other decreases which merit mention here are \$3,590,000 in arming, equipping, and training the National Guard, effected principally by the inclusion in the estimate of appropriation of a provision temporarily suspending existing law so as to permit a reduction in the number of armory drills paid for by the United States from 48 to 24, and \$1,592,000 for citizens' military training camps, made possible by a reduction of the number of trainees to be ordered to such camps. The principal increase is \$4,483,000 for subsistence of the Army, which is due to the fact that the appropriation for 1933 was supplemented by \$5,435,000 of excess stock and funds accumulated from prior year appropriations—no similar assets being available for 1934. There is also an increase of \$1,243,000 for transportation of the Army, required principally for the

procurement of trucks and ambulances and the transportation of Army supplies and its personnel and baggage.

Provision is made in these estimates for average active strengths of 12,000 commissioned officers, 883 warrant officers, and 118,750 enlisted men of the Regular Army, and 6,500 enlisted men of the Philippine Scouts; for an actual average strength of 185,000 officers and men of the National Guard; for the training of 16,722 members of the Organized Reserves for varying periods; for the enrollment and instruction of 127,565 students in the Reserve Officers' Training Corps units in schools and colleges, and the training of 7,200 of this number in 30-day camps; and for 30 days' attendance at citizens' military training camps of 13,000 trainees. The estimates for 1934 make provision for the adequate maintenance and operation of Army Air Corps activities and for the procurement of 375 new airplanes, which will give the Air Corps a total of 1,537 airplanes, on hand and on order on June 30, 1934, leaving a shortage of only 111 in the approved program of 1,648 airplanes for the Regular Army.

For the Navy Department the net decrease in the estimates for 1934 from the appropriations for 1933 is \$10,807,000. There is a reduction of \$12,554,000 for ordinary maintenance and operating expenses; \$10,240,000 for public works projects, and \$9,450,000 in the amount for modernization of battleships. Offsetting these reductions, totaling \$32,244,000, is an increase of \$21,437,000 for construction of new vessels.

The items for ordinary maintenance and operation provide for maintaining during the fiscal year 1934 an average of 79,700 enlisted men of the Navy, the same as provided for 1933, and an average of 13,600 enlisted men of the Marine Corps as compared with an average of 15,343 men provided for 1933.

The estimate of \$4,400,000 included in this Budget for modernization of battleships is sufficient to complete work on two battleships and to carry forward work on the other ship now in dock.

For construction of new vessels the 1934 estimates total \$38,845,000. This sum, together with the amount of \$5,000,000 to be transferred to this account from the naval supply account fund and an estimated balance of \$9,525,000 to be carried over from 1933, will make available

for 1934 a total of \$53,380,000. This amount is ample to continue work at a normal rate of progress on all vessels now under way, and, in addition, on one 8-inch cruiser to be laid down in January, 1933, another such cruiser to be laid down in January, 1934, and four destroyers to be laid down in the first half of the fiscal year 1934. The amount appropriated for 1933 for construction of new vessels was \$18,063,000. In addition, \$7,000,000 was authorized to be transferred from other appropriations and a balance of \$37,817,000 was carried over from 1932, making a total availability for 1933 of \$62,880,000. While the estimates for vessel construction for 1934 are about \$21,000,000 in excess of the appropriation for 1933, the availability for 1934 will be some \$9,500,000 less than the availability for 1933. This difference is largely accounted for in the estimated savings due to the continuation of provisions of the Economy Act and the anticipated reduction in labor costs.

The present schedule of wages for per diem employees of the Naval Establishment has been in effect since January 1, 1929. A provision of the Economy Act prohibits a reduction in such wage rates during the fiscal year 1933. This provision is not recommended for continuation through 1934.

A total decrease of \$4,576,000 in the cost of national defense is reflected in this Budget by the inclusion in the Post Office Department chapter of a general provision suspending, for the fiscal year 1934, the reenlistment allowance or "bonus" to enlisted men. There is certainly at this time no necessity of the military service which justifies the payment of a cash bonus to men for reenlisting in the service.

UNEXPENDED BALANCES

Following the policy which I have uniformly pursued and which has had the concurrence of the Congress, I am not recommending that the requirements for 1934 be met in part by a reappropriation or extension of the availability of unexpended balances of appropriations for the fiscal year 1933 except in those cases in which moneys appropriated for a specific nonrecurring project remain unexpended and it is necessary to continue the availability of the funds for the same purpose or purposes for which originally appropriated.

CONCLUSION

Notwithstanding the large reduction in expenditures estimated for the current fiscal year below those in the fiscal year 1932 and the increased revenues anticipated during this year under the revenue laws enacted at the last session of Congress, a large excess of expenditures with consequent increase in the public debt is anticipated for the current fiscal year.

Such a situation can not be continued without disaster to the Federal finances. The recommendations herein presented to the Congress for further drastic reductions in expenditures and increased revenues will serve to prevent a further increase in the public debt during the fiscal year 1934 only if Congress will refrain from placing additional burdens upon the Federal Treasury.

I can not too strongly urge that every effort be made to limit expenditures and avoid additional obligations not only in the interest of the already heavily burdened taxpayer but in the interest of the very integrity of the finances of the Federal Government.

HERBERT HOOVER

December 5, 1932.

NOTE: The explanatory synopsis of estimates of appropriations, transmitted with the message, is printed in Bureau of the Budget, "Budget, 1934" (Government Printing Office, 1932, pp. A7-A23).

The text of the appendix, transmitted with the message, follows:

TEXT OF LEGISLATION RECOMMENDED IN THE "MESSAGE TRANSMITTING THE
BUDGET"

"COMPENSATION REDUCTION OF FEDERAL EMPLOYEES

"During the fiscal year ending June 30, 1934—

"(a) The compensation for each civilian office, position, or employment in any branch or service of the United States Government or the government of the District of Columbia is hereby reduced as follows: Compensation at an annual rate of \$1,000 or less shall be exempt from reduction; and compensation at an annual rate in excess of \$1,000 shall be reduced by eleven per centum of the amount thereof in excess of \$1,000.

"(b) The term 'compensation' shall be defined and computed as provided in subsections (b) and (c) of section 104 of Part II of the act entitled 'An act

making appropriations for the Legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes,' approved June 30, 1932, in so far as such subsections are applicable to any civilian office, position, or employment.

"(c) In the case of a corporation the majority of the stock of which is owned by the United States, the holders of the stock on behalf of the United States, or such persons as represent the interest of the United States in such corporation, shall take such action as may be necessary to apply the provisions of subsection (a) herein to offices, positions, and employments under such corporation and to officers and employees thereof.

"(d) The reduction provided herein shall not apply to any office, position, or employment the amount of compensation of which is expressly fixed by international agreement; any office, position, or employment the compensation of which is paid under the terms of any contract in effect on the date of the enactment of this act if such compensation may not lawfully be reduced; any office the compensation of which may not, under the Constitution, be diminished during the term of office; any office, position, or employment the compensation for which is adjustable to conform to the prevailing local rate for similar work, but the wage board or other body charged with the duty of making such adjustment shall take such action as may be necessary to make such adjustment effective July 1, 1933; nor to any office, position, or employment the compensation for which is derived from assessments on banks and/or is not paid from the Federal Treasury."

Note.—The reductions to be accomplished by the foregoing legislation amount in all to approximately \$55,382,000. This pertains to all of the appropriation items which make provision for personal services. A statement will be made available to the proper committees of Congress showing the amount of the reduction which pertains to each appropriation item.

"PROVISIONS AFFECTING VETERANS' ADMINISTRATION

"(a) Income limitations: Notwithstanding the provisions of law in effect at the date of enactment of this act, except as to those persons who have attained the age of sixty-five years, or those persons who served in the active military or naval forces and who actually suffered an injury or contracted a disease in line of duty as a result of and directly attributable to such service, or those persons who, in accordance with the World War Veterans' Act, 1924, as amended, or the laws granting military or naval pensions, are temporarily totally disabled or permanently and totally disabled as a result of disease or injury acquired in, or aggravated by, active military or naval service, or those persons who while in the active military or naval service engaged in actual combat with, were under actual fire of, or served in the zone of active hostilities against, the armed forces of the enemy in any war in which the United States was engaged, no allowance, compensation, retired pay, pension, hospitalization or domiciliary care under the War Risk Insurance

Act, as amended, the World War Veterans' Act, 1924, as amended, the laws governing the granting of Army and Navy pensions, the laws governing the granting of domiciliary care by the Veterans' Administration, or the Emergency Officers' Retirement Act of May 24, 1928, shall be payable or granted to any person whose net income as defined by the Administrator of Veterans' Affairs, was \$1,500 or over, if single, and \$3,500 or over, if married, for the year preceding the enactment of this act or the year preceding the filing of application for benefits, whichever is the later. The minimum amounts above specified shall be increased by \$400 for each person dependent upon the applicant during the period prescribed. Such benefits shall not be paid or granted during any year following that in which the net income plus allowance for dependents exceeds the prescribed amounts: *Provided*, That irrespective of the income for a preceding year, upon submission of proof satisfactory to the administrator of reduction in income during the current year below the amounts specified herein, when prorated monthly, such benefits as may otherwise be authorized shall be allowable from the date of administrative determination. Payments of Government insurance, allowance, compensation, retired pay, or pension shall not be considered as income within the provisions of this section. The Secretary of the Treasury is hereby directed upon request, to transmit to the administrator a certificate containing the information required by the administrator to carry out the purposes of this section affecting each person who is applying for or receiving such allowance, compensation, retired pay, pension, hospitalization, or domiciliary care, and such certificate shall be conclusive evidence of the facts stated therein. As to allowance, compensation, retired pay or pension being paid, or hospitalization or domiciliary care being furnished, at the date of enactment of this act, this section shall take effect six months after such date, and no continuance or granting of allowance, compensation, retired pay, pension, hospitalization, or domiciliary care shall thereafter be authorized except in accordance herewith. As to pending claims and claims filed after the date of enactment of this act, the provisions of this section shall take effect on such date: *Provided*, That this section shall not apply to such persons as are entitled to benefits described in this section on account of the death of any person who served in the active military or naval service.

“(b) Disability allowance: Notwithstanding the provisions of law in effect at the date of enactment of this act, no disability allowance under the World War Veterans' Act, 1924, as amended, shall be payable to any former soldier, sailor, or marine who is not totally and permanently disabled under the laws and regulations governing the payment thereof: *Provided*, That payment of disability allowance to those former soldiers, sailors, or marines in receipt thereof at the date of enactment of this act shall continue until the first day of the third calendar month following the month during which this act is enacted but no

continuance or granting of disability allowance shall thereafter be authorized except in accordance with this section.

“(c) Veterans in institutions: The first two paragraphs of subdivision (7) of section 202 of the World War Veterans’ Act, 1924, as amended (U.S.C., Supp. V, title 38, sec. 480), are hereby amended to read as follows:

“‘Effective as of the first day of the third calendar month following the month during which this amendatory act is enacted, where any person shall have been maintained as an inmate of the United States Soldiers’ Home, or of any National or State Soldiers’ Home, or of Saint Elizabeths Hospital, or maintained by the Veterans’ Administration in an institution or institutions, for a period of thirty days or more, the compensation, pension, allowance, or retired pay under the Emergency Officers’ Retirement Act of May 24, 1928, shall thereafter not exceed \$20 per month so long as he shall thereafter be maintained: *Provided*, That if such person has a wife, a child or children, or dependent parent or parents, the difference between the \$20 and the amount to which the veteran would otherwise be entitled except for the provisions of this subdivision may be paid to the wife, child or children, and dependent parent or parents in accordance with regulations prescribed by the administrator.

“‘All or any part of such compensation, pension, allowance, or retired pay under the Emergency Officers’ Retirement Act of May 24, 1928, of any mentally incompetent inmate of such institution may, in the discretion of the administrator, be paid to the chief officer of said institution to be properly accounted for and to be used for the benefit of such inmate: *Provided, however*, That in any case where the estate of such mentally incompetent veteran without dependents, derived from funds paid under the War Risk Insurance Act, as amended, the World War Veterans’ Act, 1924, as amended, the laws governing the granting of Army and Navy pensions, or the Emergency Officers’ Retirement Act of May 24, 1928, equals or exceeds \$3,000, payment of compensation, pension, allowance, or retired pay shall be discontinued until the estate is reduced to \$3,000, and this proviso shall apply to payments due or accruing prior or subsequent to the date of enactment of this amendatory act: *Provided further*, That if such person shall recover his reason and shall be discharged from such institution as competent, such sum shall be paid him as is held in trust for him by the United States or any chief officer of an institution as a result of the laws in effect prior and/or subsequent to the enactment of this amendatory act: *Provided further*, That if in the judgment of the administrator a mentally incompetent person without dependents, receiving compensation, pension, allowance, or retired pay under the Emergency Officers’ Retirement Act of May 24, 1928, requires institutional care for his mental condition and his guardian or other person charged with his custody refuses to accept or permit the continuance of

the institutional care offered or approved by the administrator, compensation, pension, allowance, or retired pay under the Emergency Officers' Retirement Act of May 24, 1928, payable, shall not exceed \$20 per month so long as the need for such institutional care shall continue. The administrator in his discretion, upon showing of proper treatment in a recognized reputable private institution, may waive the reduction provided by this subdivision.

"'All pensioners who are or may, from the date of enactment of this amendatory act, become inmates of the naval home at Philadelphia, Pennsylvania, a naval hospital, the United States Soldiers' Home, Washington, District of Columbia, or of the Veterans' Administration homes, or of Saint Elizabeths Hospital shall have the pension to which they are entitled paid to them directly or to their guardians in case they be insane or otherwise incompetent and under guardianship, except as to payments made to the chief officer of an institution as provided in the preceding paragraph of this section, provided that from and after the enactment of this amendatory act the payment of pensions in all cases where pensioners are under guardianship may be made to the legal guardians of such persons without submission of vouchers.'

"(d) Arrested tuberculosis: That paragraph 3 of section 202(7) of the World War Veterans' Act, as amended (U.S.C., title 38, sec. 480), is hereby amended by adding at the end thereof the following proviso:

"'Provided further, That the compensation of not less than \$50 per month shall be terminated effective six months after the approval of this amendatory act or five years after the effective date of the award of \$50 per month, whichever is the later.'

"(e) Emergency officers' retired pay: In the administration of the act of May 24, 1928, entitled 'An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War' (U.S.C., Supp. V, title 38, secs. 581 and 582), no officer or former officer shall receive retired pay thereunder, unless he served as a member of the Military or Naval Establishment between April 6, 1917, and November 11, 1918, inclusive, and within such period actually contracted a disease or suffered an injury in line of duty as the result of and directly attributable to such service, or unless he served a period of ninety days or more between April 6, 1917, and November 11, 1918, inclusive, and actually contracted a disease or suffered an injury in line of duty as the result of and directly attributable to service between November 12, 1918, and July 2, 1921, inclusive, and unless he has been or is found by the former Veterans' Bureau or the Veterans' Administration to be not less than 30 per centum permanently disabled

as a result thereof prior to May 24, 1928, or within one year thereafter, in accordance with the rating schedule and amendments promulgated pursuant to subdivision (4) of section 202 of the World War Veterans' Act, 1924, as amended (U.S.C., title 38, sec. 477), in force at that time, and unless he is found by the Veterans' Administration to be not less than 30 per centum permanently disabled at the time of the enactment of this act under such rating schedule as amended and in effect at the date of the enactment of this act: *Provided*, That no person shall be retired without pay except in accordance with the foregoing provisions of this section, except that the degree of disability required for retirement without pay shall be less than 30 per centum and more than 10 per centum permanent disability.

"The Veterans' Administration is hereby authorized and directed to review all claims heretofore filed under the Emergency Officers' Retirement Act of May 24, 1928, and to remove from the rolls of retired emergency officers the names of such officers as are not found to be entitled to retirement under the first paragraph of this section. The Administrator of Veterans' Affairs is further authorized and directed to cause to be certified to the Secretary of War, or the Secretary of the Navy, as the case may be, the names of those officers who are removed from the rolls, and the Secretary of War and the Secretary of the Navy are hereby authorized and directed to drop from the emergency officers' retired list and the Army and Navy registers the names of such officers. Payment of emergency officers' retired pay, in the case of any officer whose name is removed from the rolls or transferred to the list of those retired without pay by reason of the provisions of this section, shall cease on the first day of the third calendar month following the month during which certification or transfer is made, as the case may be. The Administrator of Veterans' Affairs is hereby authorized and directed to transfer the name of each officer removed from the rolls of those entitled to emergency officers' retired pay, to the compensation rolls of the Veterans' Administration and to pay, commencing with the first day of the third calendar month following the month during which certification is made by the administrator of the name of the officer removed from the rolls, as herein provided, compensation in accordance with the provisions of the World War Veterans' Act, 1924, as amended, notwithstanding that no previous application for compensation has been made.

"The review of all claims authorized and directed under the second paragraph of this section shall be final, except for one reconsideration. No rerating or review shall thereafter be authorized in such claims.

"After the expiration of one year following the enactment of this act no review, appeal, or other consideration shall be authorized in connection with any claim

for emergency officers' retirement upon which a decision has at any time been rendered by the Veterans' Administration or Bureau.

"No person shall be entitled to benefits under the provisions of this section, except he shall have made valid application under the provisions of the Emergency Officers' Retirement Act of May 24, 1928.

"All provisions of the Emergency Officers' Retirement Act of May 24, 1928, in conflict with or inconsistent with the provisions of this section are hereby modified and amended to the extent herein specifically provided and stated as of the date of enactment, May 24, 1928.

"(f) Repeal of per diem allowances: Section 203 of the World War Veterans' Act, 1924, as amended (U.S.C., Supp. V, title 38, sec. 492), is hereby amended to read as follows:

"SEC. 203. That every person applying for or in receipt of compensation for disability under the provisions of this title and every person applying for treatment under the provisions of subdivisions (9) or (10) of section 202 hereof, shall, as frequently and at such times and places as may be reasonably required, submit himself to examination by a medical officer of the United States or by a duly qualified physician designated or approved by the administrator. He may have a duly qualified physician designated and paid by him present to participate in such examination. For all examinations he shall, in the discretion of the administrator, be paid his reasonable traveling and other expenses. If he shall neglect or refuse to submit to such examination, or shall in any way obstruct the same, his right to claim compensation under this title shall be suspended until such neglect, refusal, or obstruction ceases. No compensation shall be payable while such neglect, refusal, or obstruction continues, and no compensation shall be payable for the intervening period.'

"(g) Limitation of retroactive benefits: Section 205 of the World War Veterans' Act 1924, as amended (U.S.C., title 38, sec. 494), is hereby amended to read as follows:

"SEC. 205. The Veterans' Administration may at any time review a claim for benefits under this act, or the laws governing the granting of Army and Navy pensions, and in accordance with the facts found and the law applicable, award, end, diminish, or increase allowance, compensation, or pension, but no allowance, compensation, or pension shall be awarded as a result of such review for any period more than six months prior to date of administrative determination. Where the time for appeal prescribed by regulations has expired a claimant may make application for review upon the evidence of record at the time of the last adjudicatory action but no allowance, compensation, or pension, or increased allowance, compensation, or pension, as a result of such review, shall be awarded for any period more than six months prior to date of application. No review of any claim shall be made except as provided herein. Except in cases of fraud participated

in by the beneficiary, no reduction in allowance, compensation, or pension shall be made retroactive, and no reduction or discontinuance of allowance, compensation, or pension shall be effective until the first day of the third calendar month next succeeding that in which such reduction or discontinuance is determined. The proviso in the paragraph under the heading "Pension Office" in the act entitled "An act making appropriations to supply further urgent deficiencies in the appropriations for the fiscal year ending June 30, 1894, and for prior years, and for other purposes," approved December 21, 1893 (U.S.C., title 38, sec. 56), is hereby repealed.'

"(h) Transfer from compensation to pension rolls: The first paragraph of section 200 of the World War Veterans' Act, 1924, as amended (U.S.C., Supp. V, title 38, sec. 471), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following:

"*Provided further*, That where no active military or naval service was rendered between April 6, 1917, and November 11, 1918, no compensation shall be payable for disability or death resulting from injury suffered or disease contracted during active service in an enlistment entered into after November 11, 1918, or for aggravation or recurrence of a disability existing prior to examination, acceptance, and enrollment for service, when such aggravation was suffered or contracted in, or such recurrence was caused by, the active military or naval service in an enlistment entered into after November 11, 1918: *Provided further*, That the Administrator of Veterans' Affairs is hereby authorized and directed to transfer to the general pension rolls for the Regular Establishment the names of those persons in receipt of compensation who, by reason of the enactment of this amendatory act, are no longer entitled to compensation, and to pay such persons pension in accordance with the rates provided for their disabilities under the general pension laws, but this transfer shall not take effect until six months following the date of the enactment of this amendatory act: *Provided further*, That this act, as amended, and the laws governing the granting of Army and Navy pensions shall not be construed to deny the right of any person to receive pension on account of active military or naval service subsequent to November 11, 1918: *Provided further*, That the provisions of section 602 of the World War Veterans' Act, 1924, as amended, shall not be construed to authorize the payment of compensation contrary to the provisions of this amendatory act.'

"(i) Testimony in suits upon insurance claims: The first paragraph of section 19 of the World War Veterans' Act, 1924, as amended (U.S.C., Supp. V, title 38, sec. 445), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following:

"*Provided further*, That in any suit tried under the provisions of this section the court shall not receive, admit, or entertain the testimony of any person whose

statement has not been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, and the date of issuance of the letter of disagreement required by this section shall be the date of denial of the claim, except that if in a preliminary proceeding prior to trial of the claim sued upon, it is shown by the plaintiff to the satisfaction of the court that relevant and material testimony is available from any person whose statement has not been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, the court shall stay all proceedings in the suit until the statement of such person is submitted to the Administrator of Veterans' Affairs, who shall cause the claim to be immediately reviewed, and in case the administrator allows such claim, the suit shall be dismissed but if the administrator disallows the claim, such person may be a witness in the trial of the cause: *Provided further*, That the last preceding proviso shall apply to all suits pending on the date of the enactment of this amendatory act against the United States under the provisions of the War Risk Insurance Act, as amended, or this act, as amended.'

"(j) Revival of Government insurance restricted: Sections 305 and 309 of the World War Veterans' Act, 1924, as amended (U.S.C., Supp. V, title 38, secs. 516, 516b), are hereby repealed as of the date of their enactment, and notwithstanding the provisions of section 602 of the World War Veterans' Act, 1924, as amended (U.S.C., title 38, sec. 571), no additional payments shall be made under such sections or the third proviso of section 408 of the War Risk Insurance Act, as amended, except to those persons actually receiving payments on the date of enactment of this act, or in those claims where, prior to the date of the enactment of this act, it has been determined by the Veterans' Administration that all or part of the insurance is payable under such sections and the interested person or persons entitled thereto have been informed of such determination: *Provided*, That where a beneficiary receiving insurance payments under such sections dies and there is surviving a widow, child or children, or dependent mother or father, of the veteran, the remaining unpaid installments shall be paid to the following permitted class of beneficiaries in the following order of preference: (1) To the widow of the veteran if living at date of death of the beneficiary; (2) if no widow, then to the child or children of the veteran, share and share alike; (3) if no wife, child or children, then to the dependent mother of the veteran; (4) if no wife, child or children, or dependent mother then to the dependent father of the veteran, but no payments under this proviso shall be made to the heirs or legal representatives of any beneficiaries in the permitted class who die before receiving the monthly installments to which they are entitled and the remaining unpaid installments shall be paid to the beneficiary or beneficiaries in the order of preference prescribed in this proviso."

Note.—The reductions to be accomplished by the legislation recommended above pertain to appropriations for the Veterans' Administration as follows:

Salaries and expenses.....	\$2, 300, 000
Army and Navy pensions.....	11, 241, 000
Military and naval compensation.....	107, 479, 000
Military and naval insurance.....	6, 000, 000
Total	127, 020, 000

422

Message to the Congress Transmitting the 18th Annual Report of the National Advisory Committee for Aeronautics.

December 8, 1932

To the Congress of the United States:

In compliance with the act of March 3, 1915, which established the National Advisory Committee for Aeronautics, I submit herewith the Eighteenth Annual Report of the Committee for the fiscal year ended June 30, 1932.

It is noted that the Committee reports material and gratifying improvements in aircraft performance and reliability, and that the steady advances in technical development have increased the relative importance of aviation as an arm of national defense and as an agency of transportation.

In the new phase of the industrial age upon which the country is entering, substantial achievements will rest largely on the stimulation given to scientific research. The remarkable progress of aeronautics since the war is a demonstration of the value and necessity of research.

The National Advisory Committee for Aeronautics is the Governmental agency for coordinating and conducting fundamental research in aeronautics. I concur in the Committee's opinion that America should keep at least abreast of other nations in the development of aviation and believe that the best way to assure this is to provide for the continuous prosecution of organized scientific research.

HERBERT HOOVER

The White House,

December 8, 1932.

NOTE: The report is printed in Senate Document 143 (72d Cong., 2d sess.).

423

Special Message to Congress
on Reorganization of the Executive Branch.
December 9, 1932

To the Senate and House of Representatives:

The Congress, on June 30, 1932, enacted provisions for the reorganization of the executive departments, which subject I have from time to time laid before the Congress.

The declared policy of the Congress, as set out in section 401 of title 4, part 2, of this act, follows:

“SEC. 401. In order to further reduce expenditures and increase efficiency in government it is declared to be the policy of Congress—

“(a) To group, coordinate, and consolidate executive and administrative agencies of the Government, as nearly as may be, according to major purpose;

“(b) To reduce the number of such agencies by consolidating those having similar functions under a single head;

“(c) To eliminate overlapping and duplication of effort; and

“(d) To segregate regulatory agencies and functions from those of an administrative and executive character.”

To accomplish these purposes, the President was authorized by Executive order to transfer executive agencies to and from departments and independent executive agencies and to designate titles and duties of the officials connected therewith.

The act provides that such Executive orders must be transmitted to the Congress while in session and that they shall not become effective until the expiration of 60 calendar days, unless the Congress shall in the meantime approve them. In accordance with this authorization, I am transmitting herewith to the Congress Executive orders which have been issued to-day, transferring and grouping a large number of executive agencies.

A further limitation was placed upon Executive action in the provision that statutory functions may not be abolished by Executive orders,

the effect of which renders it necessary to retain many commissions, but, under the orders issued, their administrative functions are placed under various departments, the commissions retaining their advisory functions only. A total of 58 executive agencies and parts of agencies have been grouped or consolidated. One effect is to reduce by about 15 the number of independent agencies and commissions.

I have made no estimate of the extent of the economies which will eventually result from this reorganization program. The total appropriations for the present fiscal year to these agencies is approximately \$700,000,000.

These orders constitute the necessary initial action required in carrying out the policy which the Congress has proclaimed in connection with reorganization of the executive branch of the Federal Government. They undertake to group certain executive agencies and activities in logical and orderly relation to each other as determined by their major functions and purposes, and to vest in the head of each department, subject to Executive approval, the authority and responsibility to develop and put into effect the ultimate details of better organization, elimination of overlap, duplication, and unnecessary expenditure. These results can only be worked out progressively by the executive officers placed in charge of the different divisions.

An example of the value of such grouping and consolidation is well shown in the increased efficiency and administrative economies brought about through the consolidation of agencies relating to veterans' service and likewise of enforcement activities which were authorized some time ago.

I have under consideration further consolidations and grouping in the different departments, including certain functions of the Army and Navy, which I hope to be able to transmit to the Congress at a later date.

PUBLIC WORKS

I have established a Division of Public Works in the Department of the Interior and designated that the title of one of the present Assistant Secretaries shall be changed to "Assistant Secretary of Interior for Public

Works," under whose direction I have grouped the following organizations and functions:

1. The Bureau of Reclamation, now in the Department of the Interior.
2. The Geological Survey, now in the Department of the Interior.
3. The Office of the Supervising Architect, which is transferred from the Treasury Department to the Department of the Interior.
4. The nonmilitary activities (except the Survey of Northern and Northwestern Lakes and the Supervisor of New York Harbor) administered under the direction or supervision of the Chief of Engineers, United States Army, including rivers and harbors and flood control work, and the duties, powers, and functions of the Mississippi River Commission, the California Débris Commission, the Joint Board of Engineers for the St. Lawrence River Waterway, the Board of Engineers for Rivers and Harbors, and the Interoceanic Canal Board, which are transferred from the War Department to the Department of the Interior, and the said commissions and boards shall serve in an advisory capacity to the Secretary of the Interior.
5. The activities and duties relating to the construction, repair and maintenance of roads, tramways, ferries, bridges, and trails in the Territory of Alaska, now in the Department of the Interior.
6. The Bureau of Public Roads, which is transferred from the Department of Agriculture to the Department of the Interior.
7. The Office of Public Buildings and Public Parks, which is transferred from its status as an independent establishment to the Department of the Interior.
8. The administrative duties, powers, and functions of the National Capital Park and Planning Commission, which are transferred to the Department of the Interior, and the commission shall serve in an advisory capacity to the Secretary of the Interior.
9. The administrative duties, powers, and functions of the Rock Creek and Potomac Parkway Commission, which are transferred to the Department of the Interior, and the commission shall serve in an advisory capacity to the Secretary of the Interior.
10. The administrative duties, powers, and functions of the Arlington Memorial Bridge Commission, which are transferred to the Depart-

ment of the Interior, and the commission shall serve in an advisory capacity to the Secretary of the Interior.

11. The administrative duties, powers, and functions of the Commission of Fine Arts, which are transferred to the Department of the Interior, and the commission shall serve in an advisory capacity to the Secretary of the Interior.

12. The administrative duties, powers, and functions of the George Rogers Clark Sesquicentennial Commission, which are transferred to the Department of the Interior, and the commission shall serve in an advisory capacity to the Secretary of the Interior.

13. The administrative duties, powers, and functions of the Mount Rushmore National Memorial Commission, which are transferred to the Department of the Interior, and the commission shall serve in an advisory capacity to the Secretary of the Interior.

14. The administrative duties, powers, and functions of the General Supply Committee, Treasury Department, which are transferred to the Department of the Interior, and the committee shall serve in an advisory capacity to the Secretary of the Interior.

15. The Government fuel yards, which are transferred from the Bureau of Mines, Department of Commerce, to the Department of the Interior.

EDUCATION, HEALTH, AND RECREATION

I have established a Division of Education, Health, and Recreation in the Department of the Interior and have designated that one of the Assistant Secretaries shall be called "Assistant Secretary of the Interior for Education, Health, and Recreation," and have transferred to that division the following organizations and functions:

1. The Office of Education, now in the Department of the Interior.
2. Howard University, now in the Department of the Interior.
3. The Columbia Institution for the Deaf, now in the Department of the Interior.
4. The American Printing House for the Blind, which is transferred from the Treasury Department to the Office of Education.
5. The administrative duties, powers, and functions of the Federal Board for Vocational Education which are transferred to the Office

of Education, and the board shall serve in an advisory capacity to the Secretary of the Interior.

6. The Bureau of Indian Affairs, now in the Department of the Interior.

7. The Public Health Service, which is transferred from the Treasury Department to the Department of the Interior.

8. The Division of Vital Statistics, which is transferred from the Bureau of the Census, Department of Commerce, to the Public Health Service in the Department of the Interior.

9. St. Elizabeths Hospital, now in the Department of the Interior.

10. Freedman's Hospital, now in the Department of the Interior.

11. The National Park Service, now in the Department of the Interior.

12. The national parks, monuments, and cemeteries, which are transferred from the War Department to the Department of the Interior.

LAND UTILIZATION

I have established a Division of Land Utilization in the Department of Agriculture to include functions whose major purpose relates to the protection and utilization of land and its inherent natural resources, and have designated a change in the title of the Assistant Secretary to "Assistant Secretary of Agriculture for Land Utilization," and have transferred to that Division the following organizations and functions:

1. The Forest Service, now in the Department of Agriculture.

2. The General Land Office, which is transferred from the Department of the Interior to the Department of Agriculture.

3. The administrative duties, powers, and functions of the Committee on the Conservation and Administration of the Public Domain, which are transferred to the Department of Agriculture, and the committee shall serve in an advisory capacity to the Secretary of Agriculture.

4. The Advisory Council of the National Arboretum, now in the Department of Agriculture.

5. The Bureau of Biological Survey, now in the Department of Agriculture.

6. The Bureau of Chemistry and Soils, now in the Department of Agriculture.

7. Various fractions of Bureaus already in the Department of Agriculture dealing with this major purpose will be subsequently added to this general division.

THE MERCHANT MARINE

I have established a Merchant Marine Division in the Department of Commerce and an Assistant Secretary of Commerce for Merchant Marine, and have transferred to that division the following organizations and functions:

1. The Coast and Geodetic Survey, now in the Department of Commerce.

2. The Hydrographic Office of the Bureau of Navigation of the Navy Department to the Coast and Geodetic Survey.

3. The Survey of Northern and Northwestern Lakes of the Office of the Chief of Engineers of the War Department to the Coast and Geodetic Survey.

4. The Bureau of Navigation and Steamboat Inspection, now in the Department of Commerce.

5. The Supervisor of New York Harbor of the Office of the Chief of Engineers of the War Department and the powers and duties of said Supervisor to the Bureau of Navigation and Steamboat Inspection.

6. The Naval Observatory of the Bureau of Navigation of the Navy Department, with the exception of those activities that have to do with the development, maintenance, and repair of instruments for the Navy, to the Department of Commerce.

7. The United States Shipping Board Merchant Fleet Corporation to the Department of Commerce.

8. The Inland Waterways Corporation of the War Department to the Department of Commerce.

9. The Bureau of Lighthouses, now in the Department of Commerce.

COMMERCE AND INDUSTRY

I have transferred to the Department of Commerce or the bureaus thereof, as indicated, the following organizations and functions which involve services in the interest of commerce and industry:

1. The powers and duties of the Federal Oil Conservation Board to the Bureau of Mines, and the said board is abolished.
2. The administrative duties, powers, and authority of the National Screw Thread Commission to the Bureau of Standards, and the Commission shall serve in an advisory capacity to the Secretary of Commerce.
3. The administrative duties, powers, and functions of the National Advisory Committee for Aeronautics to the Bureau of Standards, and the committee shall serve in an advisory capacity to the Secretary of Commerce.
4. The Weather Bureau of the Department of Agriculture to the Department of Commerce.

DEPARTMENT OF JUSTICE

I have transferred to and consolidated with the Department of Justice the powers, duties, and functions of the Alien Property Custodian, and the powers and duties now exercised by the Veterans' Administration which relate to the defense in court of cases involving litigation arising under section 19 of the World War Veterans' Act of 1924, as amended.

DEPARTMENT OF LABOR

I have transferred to and consolidated with the Department of Labor the powers and duties now exercised by the Employees' Compensation Commission which relate to the administration of the longshoremen's and harbor workers' act of March 4, 1927, and the Act of May 17, 1928, extending the provisions of the 1927 Act to private employers and their employees in the District of Columbia.

CIVIL SERVICE COMMISSION

I have transferred to and consolidated with the Civil Service Commission the powers and duties of the Employees' Compensation Com-

mission which relate to the administration of the Act of September 7, 1916, and amendments thereto, providing compensation on account of injuries sustained by civilian employees of the Federal Government and the Municipal Government of the District of Columbia, leaving the Employees' Compensation Commission to serve in an advisory capacity to the Civil Service Commission pending its abolition by legislative action.

BORDER PATROL

I have transferred to and consolidated with the Coast Guard in the Treasury Department the following services:

1. The border patrol from the Immigration Service in the Department of Labor, and
2. The Border Patrol from the Customs Service in the Treasury Department.

BUREAU OF THE BUDGET

I have transferred and consolidated the following activities in the Bureau of the Budget:

1. The powers and duties now exercised by the General Accounting Office which relate to the designing, prescribing, and installation of accounting forms, systems, and procedure in the several executive departments and independent establishments, except that the Comptroller General shall retain the power and duty to prescribe the form and manner in which accounts shall be submitted to his office for audit.
2. The powers and duties now exercised by the General Accounting Office which relate to the administrative examination of fiscal officers' accounts and claims against the United States, and the adequacy and effectiveness of the administrative examination of accounts and claims in the respective departments and establishments and the adequacy and effectiveness of departmental inspection of the officers and accounts of fiscal officers.
3. The powers and duties of the Bureau of Efficiency.

RECOMMENDATIONS REQUIRING LEGISLATION

I recommend that legislation be enacted to accomplish the following additional changes in organization which the law does not confer upon me authority to make:

1. Abolish the Rock Creek and Potomac Parkway Commission, whose powers and duties are transferred to the Department of the Interior. This commission has accomplished the purpose for which it was created and need no longer be retained as a separate entity.

2. Transfer jurisdiction over the operation, protection, and maintenance of the parks, parkways, playgrounds, and recreational activities of the District of Columbia, from the Office of Public Buildings and Public Parks to the Commissioners of the District of Columbia, making it possible to consolidate and coordinate these activities with similar functions now performed by the Municipal Government of the District, and relieving the Federal Government of the control of activities which are purely local in character and which are paid for out of District of Columbia funds.

3. Abolish the Employees' Compensation Commission. I have transferred those duties and activities of the commission which involve relations between private employers and their employees to the Department of Labor, and the remainder of its duties and activities, involving relations of the Federal Government and the Municipal Government of the District of Columbia, with their own employees, to the Civil Service Commission. This leaves no justification for the retention of the Employees' Compensation Commission.

4. Abolish the Board of Trustees of the National Training School for Boys, and transfer the powers, duties, and functions of that board to the Board of Public Welfare of the District of Columbia. The practice of committing delinquent boys to this institution from jurisdictions outside of the District of Columbia has been generally discontinued. This will automatically convert it into a local reform school, the management of which should be entrusted to local authorities. A similar change in jurisdiction over the National Training School for Girls was made by an act approved March 16, 1926.

I am submitting herewith not only Executive orders but also a brief discussion prepared by the Bureau of the Budget of the proposed transfers and the basis on which they are predicated.

HERBERT HOOVER

The White House,
December 9, 1932.

NOTE: The message and accompanying documents are printed as House Document 493 (72d Cong., 2d sess.).

For Executive Orders 5959-5969, issued on December 9, 1932, and transmitted with the message, see "Proclamations and Executive Orders, Herbert Hoover," vol. II, pp. 1350-1372. On January 19, 1933, the House of Representatives passed House Resolution 334, disapproving the 11 Executive orders and preventing them from taking effect.

424

Address to the Gridiron Club.

December 10, 1932

Gentlemen of the Gridiron Club and your guests:

I know that I represent every guest in expressing to the Gridiron Club our deep appreciation for its generous hospitality, its entertainment, and its high educational effort this evening.

As your president has said, just 20 years ago I was first a guest of the Gridiron Club. I have been accorded all the grades of honor from the end of the table in the far corner to this close approach to the throne. The seat at the end of the corner table is the most comfortable one.

But from all these points of vantage I have been enabled to make a long-time analysis of both the ostensible and secret objectives of the Gridiron Club. The club seems to me to have three high purposes. The first purpose is purely the joy of hospitality, enriched by the stimulation of spirit from the wit and satire which is designed to test the apparent sense of humor of public officials.

The second purpose is the passing record of Washington through the eyes of the fourth estate. In the painting of pictures of passing political incidents the colors are often badly mixed. The drawing is cubist

and mostly futuristic in its motif. But these pictures are like sand pictures, and other forms of primitive medicine making. They are of immense comfort to the makers and impressiveness to the believers. But you may be happily assured that they are erased with the passing of the night, and aside from the performers no man can tell you tomorrow what the jokes were.

A third and more subtle purpose of the club appears to be that of careful and pointed instruction to Government officials and political leaders as to their errors and shortcomings. This instruction is enforced by the threatening gridiron which, like the traditional schoolroom switch, hangs here behind the teacher's desk. These educational facilities of the Gridiron Club thus include a regular and rigid enforcement by way of roasting. I am reminded of the annals of the early Christian Church, which contains the record of the singular case of one of the pioneer Christians. The man was zealous in the practice of the true faith, and for that reason became unpopular in his community. The citizens finally decided he was a nuisance and should be gotten rid of. Their methods were in accord with the custom of the times. Having no modern gridiron, they trussed him up at full length on a spit ordinarily used for roasting whole beeves and put him over a great bed of red-hot coals. They were careless, however, about turning the spit, with the result that the true Christian was roasted only on one side. He bore his sufferings with remarkable composure and good nature. But at last he felt moved to remark to his neighbors that he believed he was now thoroughly done on one side and would they mind turning him over.

And although during these past centuries the gridiron process has perhaps improved its subtlety, there have been occasions in the past few years that seem to me to bear some analogy to the days of old. But speaking seriously I am deeply indebted as is every guest for the many happy memories of these events and their manifold proof that life is not all serious.

You will expect me to discuss the late election. Well, as nearly as I can learn, we did not have enough votes on our side. During the campaign I remarked that this administration had been fighting on

a thousand fronts; I learned since the campaign that we were fighting on 21 million fronts. We had a good fight, and when our opponents recover from the glow of victory and undertake to perform the sad rites of burying their dead promises, that will be another story. And the Republicans will, no doubt, take care of that.

I notice in the press a generous suggestion that my countrymen owe to me some debt. On the contrary, the obligation is mine. My country gave me, as it gives every boy and every girl, a chance. It gave me schooling, the precious freedom of equal opportunity for advancement in life, for service and honor. In no other land could a boy from a country village without inheritance or influential friends look forward with unbounded hope. It gave to me a certain measure of success in my profession. It conferred upon me the honor of administering the world's response to the appeal of hundreds of millions of afflicted people during and after the war. It gave me high place in the war councils of the Nation. My country called upon me to represent it in the reconstruction of human and economic relations between former enemies on the Continent of Europe after the armistice. It gave me an opportunity for service in the Cabinets of two Presidents. It gave me the highest honor that comes to man—the Presidency of the United States. For this fullness of life, for the chance to serve in many emergencies, I am indebted to my country beyond any human power to repay.

Only a few rare souls in a century, to whose class I make no pretension, count much in the great flow of this Republic. The life stream of this Nation is the generations of millions of human particles acting under impulses of advancing ideas and national ideals gathered from a thousand springs. These springs and rills have gathered into great streams which have nurtured and fertilized this great land over these centuries. Its dikes against dangerous floods are cemented with the blood of our fathers. Our children will strengthen these dikes, will create new channels, and the land will grow greater and richer with their lives.

We are but transitory officials in Government whose duty is to keep these channels clear and to strengthen and extend their dikes. What counts toward the honor of public officials is that they sustain the national ideals upon which are patterned the design of these channels

of progress and the construction of these dikes of safety. What is said in this or in that political campaign counts no more than the sound of the cheerful ripples or the angry whirls of the stream. What matters is that God help the man or the group who breaks down these dikes, who diverts these channels to selfish ends. These waters will drown him or them in a tragedy that will spread over a thousand years.

If we lift our eyes beyond the scene of our recent battle, if we inspect the fate of other democracies under the pressures of the past 3 years, the outstanding demonstration is the complete necessity in modern democracies of maintaining two strong political parties. Block government among several parties leads not only to negative policies but to destruction of all responsibility which carries government always on the brink of chaos. Coalition government leads inevitably to danger and often to revolution for it offers the people no alternative through which to explode their emotions. To carry on competent government there must be a strong and constructive opposition. The Republican Party now has that duty to the American people. But opposition cannot function without political organization, constancy to principles, and loyalty of men to their party. Likewise, no party in power can serve the country unless the members show loyalty, courage, and a willingness to accept the responsibility of government.

Nor does this preclude that cooperation which far transcends partisanship in the face of common danger. That great common danger is still in the economic field both at home and abroad. During the past 2 years we have been fighting to maintain the very foundations of our own stability. That front can be held if no mistakes are made. Today one of the visible evidences of our economic problem is the impassable bridge between the debtor and the creditor. Either prices must rise or debts be reduced. Not one but many economic forces have brought this about. To increase prices we must give consideration to the continuing effect of the foreign situation. The vicious spiral of economic and social instability has been continuing in the great majority of foreign countries. If we would make a full and secure recovery, if we would prevent future relapse, we must consider major action in cooperation with other nations. But that cooperation does not imply that it shall be accom-

plished at the expense of the American people. Others must bear their just burdens, and open hope to the people of the United States.

To fulfill these tasks we must maintain a solidarity in our Nation. We must maintain that cooperation at home which while it maintains party responsibility yet rises above partisanship. The new administration has my good wishes; it has the good wishes of every American for in their success lies the welfare of our country.

I would not close without again expressing my appreciation for the generous hospitality that I have received from your hand on so many occasions.

NOTE: The President spoke at a dinner meeting held in the Willard Hotel in Washington, D.C.

The Gridiron Club, an organization of Washington newsmen, met semiannually for a dinner and satirical review of current political events. Remarks at the dinners were off-the-record, but President Hoover's were later published.

425

Remarks on Accepting the Deed
to Theodore Roosevelt Island.

December 12, 1932

Mr. Garfield and members of the Committee:

The fame of President Theodore Roosevelt has grown in lustre and stature as the years have passed. Time constantly brings his essential greatness into clearer and clearer outline. His accomplishments will bulk large in the pages of history, but equally he will be remembered for his personality and his character. His was a virile energy, an abundant optimism and courage, a greatness of vision, and a faith in his country's future which knew no boundaries of limiting doubts. These qualities inherent within him and his strength were unconsciously developed in communion with nature. He lived much in the open; he loved the mountains, the woods, the streams, and the sea. From them he gained a spaciousness of outlook which permanently endear him to his countrymen.

There is thus an especial appropriateness in this memorial which you are giving to the Nation. This wooded island set in the midst of the Potomac is forever within view of the Lincoln Memorial, the Washington Monument, the Capitol, and the White House. You have wisely chosen a bit of nature within the boundaries of the city which he loved and where he rendered such noble service. As years go by, the Nation will add to its usefulness and its appropriateness as a memorial to so great a President.

In the name of the people of the United States and on behalf of the Federal Government, I accept this gift and tender to you and to the thousands of citizens whose generosity made it possible, their warmest commendation and grateful thanks. In consummation of these purposes I direct that Analostan Island shall hereafter be known as Theodore Roosevelt Island and dedicated to the Nation.

NOTE: The President spoke at 4 p.m. in the East Room of the White House. The trustees of the Roosevelt Memorial Association presented the deed to the island. James R. Garfield was president of the association and had served as Secretary of the Interior in President Roosevelt's Cabinet.

426

Message to the Daily News of St. Thomas
on Conditions in the Virgin Islands.

December 13, 1932

[Released December 13, 1932. Dated December 3, 1932]

My dear Mr. Jarvis:

This will acknowledge and thank you for your letter of November 12, 1932. I am grateful for the expressions of good will which it contained.

I have a profound interest in the welfare of the Virgin Islands and sincerely hope that conditions may improve. The reports of Governor Pearson indicate an increasing determination on the part of the people of the islands to help themselves and cooperate with the Federal government in its efforts to carry out the rehabilitation program which

has been adopted by Congress and is now under way. Only through such spirit of self-help and cooperation can permanent improvement be achieved. The best citizens of any community are those who strive to make themselves economically independent and at the same time are interested in the improvement of conditions generally.

Yours faithfully,

HERBERT HOOVER

[Mr. J. Antonio Jarvis, Editor, The Daily News, St. Thomas, Virgin Islands]

NOTE: Paul M. Pearson was Governor of the Virgin Islands.

427

Remarks Upon Laying the Cornerstones
of the Department of Labor and
Interstate Commerce Commission Building.
December 15, 1932

IT IS INDEED a pleasure to take this further step in the fulfillment of the magnificent plan for the Nation's Capital. Since George Washington first visioned this city, it has steadily grown nearer to his dream of a fitting symbol of a great people's purposes and energy and power. He foresaw a nation, continental in physical scope, happy in the wise utilization of vast natural resources, secure in the exercise of liberty under laws of its own devising. He wished its Capital to express these facts of the national life. He planned a city spacious in its dimensions, made beautiful by parks and wide avenues, and embellished with the handsomest works of architecture.

The unfolding of this plan in finished works has been a process of growth which at times has seemed almost evolutionary in its slow pace. Yet, this also has been an appropriate expression of the national life. Our institutions are intentionally designed for continuous and evolutionary change, responding to the needs of the time as they arise, and shaping themselves to the changing mold of the people's will. A Caesar would have been impatient to anticipate the future and would have

built a glorious city out-of-hand in the primitive wilderness, seeking to mold posterity to his ideas and impoverishing the people in the process. Washington was true to the principles of self-government and to the genius of his race and was content to plan wisely, lay solid foundations, and trust posterity to grow.

The Department of Government that will be housed in this building we are concerned with today is a perfect illustration of the wisdom of this method. There was no Department of Labor in George Washington's day, nor was one even dreamed of. Yet the scheme of government to which he committed this Nation was so adaptable to changing needs that when, three-quarters of a century later, we had evolved from an almost purely agricultural economy into a highly industrialized balance with agriculture, such a department was naturally created and has grown into one of the most important of the Federal agencies. Today we are witnessing the first steps in expressing its importance in terms of marble and steel and the symbolic beauty of architecture.

I take a profound satisfaction in sharing in this ceremony because I take profound pride as an American in the history of labor in this country. No one with a sense of historical perspective can fail to be gratified when he reviews the steady progress made by American labor, not as a class distinction, for of that we have none, but for its expression of leadership in its advances in standards of living in which we all rejoice, and its sense of a full share of civic responsibility in all community efforts looking to an enlarged and enriched opportunity for men and women and children to make the most out of life.

It is peculiarly appropriate that this temple should be erected in full partnership with this great group of Government buildings. Its presence here amongst the buildings dedicated to commerce and agriculture and finance and justice fittingly symbolizes its proper place in the scheme of national life, indissolubly bound up in interest with all the other interests of the people and recognized equally with them by the people as an indispensable element of the Nation and of its Government.

The structure for which we are dedicating the cornerstones this afternoon has been intentionally designed to house two activities of the Government, and while here we are honoring the great Department

of Labor this ceremony is being projected by electrical transmission across to the other end of the building where it is being repeated, and a cornerstone for the independent establishment of the Interstate Commerce Commission is being laid simultaneously and in synchronism with the cornerstone being laid here.

I, therefore, now do lay the cornerstones of the Department of Labor and Interstate Commerce Commission Building, and do dedicate it to the use of these agencies of the Federal Government.

NOTE: The President spoke at ceremonies held at the corner of 14th St. and Constitution Ave., NW., Washington, D.C.

428

Message to the National Retail Dry Goods Association.
December 15, 1932

[Released December 15, 1932. Dated December 3, 1932]

My dear Mr. O'Connell:

The movement to market only merchandise of essential quality that will give honest service has worthy objectives.

The benefits will be shared largely by workers and consumers, and I am pleased to give the effort my hearty endorsement.

Yours faithfully,

HERBERT HOOVER

[Mr. P. A. O'Connell, President, National Retail Dry Goods Association, 225 W. 34th St., New York City]

NOTE: Mr. O'Connell released the message in New York City. The association also featured the message on the cover of a special bulletin describing the National Quality Movement.

429

Message to the Musicians Symphony Orchestra.
December 15, 1932

[Released December 15, 1932. Dated December 13, 1932]

My dear Mr. Buterly:

I thank you cordially for your invitation to Mrs. Hoover and myself to attend the performance on Tuesday evening, December 27th of the orchestra formed from unemployed musicians in New York. Earlier engagements here will not permit us to attend but I wish you to know of my hearty commendation of this admirable provision by which these artists are enabled to make their livelihood throughout the winter, and in so doing bring to their generous friends and to the public the joys of great music finely rendered. This is indeed a model example of community concern and provision to prevent distress.

Yours faithfully,

HERBERT HOOVER

[Mr. George P. Buterly, Jr., Musicians Symphony Orchestra, 120 E. 41st St., New York City]

NOTE: The orchestra's sponsoring committee released the message. The group was formed to provide jobs for unemployed musicians and was scheduled to give 20 concerts at the Metropolitan Opera House in New York City.

430

Message to King Alexander I of Yugoslavia
Offering Birthday Greetings.
December 17, 1932

ON THIS anniversary of Your Majesty's birth, I send my hearty greetings and best wishes for your continued happiness and well being.

HERBERT HOOVER

[His Majesty Alexander I, King of Yugoslavia, Belgrade, Yugoslavia]

431

Special Message to the Congress on Intergovernmental Debts
and International Economic Conditions.

December 19, 1932

To the Senate and House of Representatives:

I indicated in my message on the state of the union of December 6th that I should communicate further information to the Congress. Accordingly I wish now to communicate certain questions which have arisen during the past few days in connection with the war debts. These questions, however, cannot be considered apart from the grave world economic situation as it affects the United States and the broader policies we should pursue in dealing with them. While it is difficult in any analysis of world economic forces to separate the cause from the effect or the symptom from the disease, or to separate one segment of a vicious cycle from another, we must begin somewhere by determination of our objectives.

It is certain that the most urgent economic effort still before the world is the restoration of price levels. The undue and continued fall in prices and trade obviously have many origins. One dangerous consequence however is visible enough in the increased difficulties which are arising between many debtors and creditors. The values behind a multitude of securities are lessened, the income of debtors is insufficient to meet their obligations, creditors are unable to undertake new commitments for fear of the safety of present undertakings.

It is not enough to say that the fall in prices is due to decreased consumption and thus the sole remedy is the adjustment by reduced production. That is in part true but decreased consumption is brought about by certain economic forces which, if overcome, would result in a great measure of recovery of consumption and thus recovery from the depression. Any competent study of the causes of continued abnormal levels of prices would at once establish the fact that the general price movement is world wide in character and international influences therefore have a part in them. Further exploration in this field brings us at once to the fact that price levels have been seriously

affected by abandonment of the gold standard by many countries and the consequent instability and depreciation of foreign currencies. These fluctuations in themselves, through the uncertainties they create, stifle trade, cause invasions of unnatural marketing territory, result in arbitrary trade restrictions and ultimate diminished consumption of goods, followed by a further fall in prices.

The origins of currency instability and depreciation reach back again to economic weaknesses rooted in the world war which have culminated in many countries in anxieties in regard to their financial institutions, the flight of capital, denudation of gold reserves with its consequent jeopardy to currencies. These events have been followed by restrictions on the movement of gold and exchange in frantic attempts to protect their currencies and credit structures. Restrictions have not alone been put upon the movement of gold and exchange but they have been imposed upon imports of goods in endeavor to prevent the spending of undue sums abroad by their nationals as a further precaution to prevent the outflow of gold reserves and thus undermining of currency. These steps have again reduced consumption and diminished prices and are but parts of the vicious cycles which must be broken at some point if we are to assure economic recovery.

We have abundant proof of the effect of these forces within our own borders. The depreciation of foreign currencies lowers the cost of production abroad compared to our costs of production, thus undermining the effect of our protective tariffs. Prices of agricultural and other commodities in the United States are being seriously affected and thousands of our workers are today being thrown out of employment through the invasion of such goods.

I concur in the conclusions of many thoughtful persons that one of the first and most fundamental points of attack is to reestablish stability of currencies and foreign exchange, and thereby release an infinite number of barriers against the movement of commodities, the general effect of which would be to raise the price of commodities throughout the world. It must be realized however that many countries have been forced to permit their currencies to depreciate; it has not been a matter of choice.

I am well aware that many factors which bear upon the problem are purely domestic in many countries but the time has come when concerted action between nations should be taken in an endeavor to meet these primary questions. While the gold standard has worked badly since the war due to the huge economic dislocations of the war, yet it is still the only practicable basis of international settlements and monetary stability so far as the more advanced industrial nations are concerned. The larger use of silver as a supplementary currency would aid to stability in many quarters of the world. In any event it is a certainty that trade and prices must be disorganized until some method of monetary and exchange stability is attained. It seems impossible to secure such result by the individual and separate action of different countries each striving for separate defense.

It is for the purpose of discussing these and other matters most vital to us and the rest of the world that we have joined in the World Economic Conference where the means and measures for the turning of the tide of business and price levels through remedy to some of these destructive forces can be fully and effectively considered and if possible undertaken simultaneously between nations.

The reduction of world armament also has a bearing upon these questions. The stupendous increase in military expenditures since before the war is a large factor in world wide unbalanced national budgets, with that consequent contribution to instable credit and currencies and to the loss of world confidence in political stability. While these questions are not a part of the work proposed for the Economic Conference, cognizance of its progress and possibilities must be ever in the minds of those dealing with the other questions.

The problem of the war debts to the United States has entered into this world situation. It is my belief that their importance, relative to the other world economic forces in action, is exaggerated. Nevertheless in times of deep depression some nations are unable to pay and in some cases payments do weigh heavily upon foreign exchange and currency stability. In dealing with an economically sick world many factors become distorted in their relative importance and the emotions of peoples must be taken into account.

As Congress is aware the principal debtor nations recently requested that the December payments on these debts should be postponed and that we should undertake an exchange of views upon possible revision in the light of altered world conditions.

We have declined to postpone this payment as we considered that such action (a) would amount to practical breakdown of the integrity of these agreements, (b) would impose an abandonment of the national policies of dealing with these obligations separately with each nation, (c) would create a situation where debts would have been regarded as being a counterpart of German reparations and indemnities and thus not only destroy their individual character and obligation but become an effective transfer of German reparations to the American taxpayer, (d) would be no real relief to the world situation without consideration of the destructive forces militating against economic recovery, (e) would not be a proper call upon the American people to further sacrifices unless there were definite compensations. It is essential in our national interest that we accept none of these implications and undertake no commitments before these economic and other problems are canvassed and so far as possible are solved.

Of the total of about \$125,500,000 due, Czechoslovakia, Finland, Great Britain, Italy, Latvia and Lithuania have met payments amounting to \$98,685,910, despite the difficulties inherent in the times. Austria, Belgium, Estonia, France, Greece, Hungary and Poland have not made their payments. In the case of some of these countries such failure was unquestionably due to inability in the present situation to make the payments contemplated by the agreements.

Certain nations have specifically stated that they do not see their way clear to make payments under these agreements for the future. Thus our government and our people are confronted with the realities of a situation in connection with the debts not heretofore contemplated.

It is not necessary for me at this time to enter upon the subject of the origins of these debts, the sacrifices already made by the American people, the respective capacities of other governments to pay, or to answer the arguments put forward which look toward cancellation of these obligations. I may, however, point out that except in one country

the taxation required for the payments upon the debts owing to our government does not exceed one-quarter of the amounts now being imposed to support their military establishments. As their maintained armaments call for a large increase in expenditures on our defensive forces beyond those before the war, the American people naturally feel that cancellation of these debts would give us no relief from arms but only free large sums for further military preparations abroad. Further, it is not amiss to note that the contention that payment of these debts is confined to direct shipment of goods or payment in gold is not a proper representation since in normal times triangular trade is a very large factor in world exchanges, nor is any presentation of the trade balance situation complete without taking into account services as for instance American tourist expenditure and emigrant remittances alone to most of the debtor countries exceed the amount of payments. I may also mention that our country made double the total sacrifice of any other nation in bringing about the moratorium which served to prevent the collapse of many nations of Europe with its reactions upon the world. This act of good-will on our part must not now be made either the excuse or opportunity for demanding still larger sacrifices.

My views are well known; I will not entertain the thought of cancellation. I believe that whatever further sacrifices the American people might make by way of adjustment of cash payments must be compensated by definite benefits in markets and otherwise.

In any event in protection to our own vital interests, as good neighbors and in accord with our traditional duty as wise and fair creditors whether to individuals or nations, we must honor the request for discussion of these questions by nations who have sought to maintain their obligations to us.

The decision heretofore reached to exclude debt questions from the coming World Economic Conference or from any collective conference with our debtors is wise as these are obligations subject only to discussion with individual nations and should not form part of a collective discussion or of discussion among many nations not affected, yet it seems clear that the successful outcome of the Economic Conference would be greatly furthered if the debt problem were explored in ad-

vance, even though final agreement might well be contingent on the satisfactory solution of economic and armament questions in which our country has direct interest.

Thus from this present complex situation certain definite conclusions are unavoidable:

1. A number of the most serious problems have now arisen and we are bound to recognize and deal with them.

2. It is of great importance that preparatory action should be taken at once otherwise time will be lost while destructive forces are continuing against our agriculture, employment and business.

3. Adequate and proper machinery for dealing with them must be created. It is clear that ordinary diplomatic agencies and facilities are not suitable for the conduct of negotiations which can best be carried on across the table by specially qualified representatives.

4. As I have pointed out, the discussion of debts is necessarily connected with the solution of major problems at the World Economic Conference and the Arms Conference. The ideal way would therefore seem to be that some of our representatives in these matters should be selected at once who can perform both these functions of preparing for the World Economic Conference, and should exchange views upon the debt questions with certain nations at once and to advise upon the course to be pursued as to others. It would be an advantage for some of them to be associated with the Arms Conference. Some part of the delegates appointed for this purpose could well be selected from the members of the Congress. On the side of the Executive this is no derogation of either Executive authority or independence; on the side of the Congress it is no commitment but provides for the subsequent presentation to the Congress of the deliberations, intricacies, reasoning and facts upon which recommendations have been based and is of first importance in enabling the Congress to give adequate consideration to such conclusions.

5. Discussions in respect to both debt questions and the World Economic Conference cannot be concluded during my administration, yet the economic situation in the world necessitates the preliminary

work essential to its success. The undertaking of these preliminary questions should not be delayed until after March 4th.

I propose, therefore, to seek the cooperation of President-elect Roosevelt in the organization of machinery for advancement of consideration of these problems.

A year ago I requested that the Congress should authorize the creation of a Debt Commission to deal with situations which were bound to arise. The Congress did not consider this wise. In the situation as it has developed it appears necessary for the Executive to proceed. Obviously any conclusions would be subject to approval by the Congress.

On the other hand should the Congress prefer to authorize by legislative enactment a commission set up along the lines above indicated it would meet my hearty approval.

I had occasion recently in connection with these grave problems to lay down certain basic principles:

"If our civilization is to be perpetuated, the great causes of world peace, world disarmament and world recovery must prevail. They cannot prevail until a path to their attainment is built upon honest friendship, mutual confidence, and proper cooperation among the nations.

"Those immense objectives upon which the future and welfare of all mankind depend must be ever in our thought in dealing with immediate and difficult problems. The solution of each of these, upon the basis of an understanding reached after frank and fair discussion, in and of itself strengthens the foundation of the edifice of world progress we seek to erect; whereas our failure to approach difficulties and differences among nations in such a spirit serves but to undermine constructive effort.

"Peace and honest friendship with all nations have been the cardinal principles by which we have ever guided our foreign relations. They are the stars by which the world must today guide its course—a world in which our country must assume its share of leadership and responsibility."

The situation is one of such urgency that we require national solidarity and national cooperation if we are to serve the welfare of the American people and indeed if we are to conquer the forces which today threaten the very foundations of civilization.

HERBERT HOOVER

The White House,
December 19, 1932.

432

Christmas Message to Disabled Veterans.
December 20, 1932

To All Disabled Veterans:

Once more it is my privilege to send to you my cordial Christmas greetings and an earnest wish that the New Year will bring you restoration of health and much happiness.

Your country's continued remembrance of your sacrifices in its behalf is evidenced in the establishment and maintenance of a vast service dedicated to your needs; its gratitude and affection you have always.

That the New Year may bring you many blessings and a complete return to health is my heartfelt wish.

HERBERT HOOVER

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433

Message to the Porto Rico Child Feeding Committee.
December 21, 1932

[Released December 21, 1932. Dated December 20, 1932]

THE RECENT devastation in Porto Rico makes the purpose of the Porto Rico Child Feeding Committee in sending the Christmas Ship to carry food to the children of the territory an especially timely and valuable expression of our thought and sympathetic concern. These children

are fellow citizens of our country, with an especial claim upon the generosity of our people at this time.

HERBERT HOOVER

[Colonel J. W. Krueger, Executive Director, Porto Rico Child Feeding Committee, 450 Seventh Avenue, New York City]

NOTE: The message was read at New York City during ceremonies marking the departure of the *Coamo* for Puerto Rico. The ship carried food and money collected during a campaign aimed at alleviating conditions caused by a recent hurricane.

434

Statement on the Conduct of Foreign Relations.

December 22, 1932

THE PRESIDENT said:

"Governor Roosevelt considers that it is undesirable for him to assent to my suggestions for cooperative action on the foreign problems outlined in my recent message to Congress. I will respect his wishes.

"Situations will no doubt develop and will be dealt with by the administration as they arise, but of course no commitments will be made for the next administration.

"The correspondence between myself and Governor Roosevelt is attached hereto."

NOTE: The text of the correspondence referred to follows:

Washington, December 17, 1932—5:35 p.m.

My dear Governor:

As you have seen from the press the position of the debtor governments in respect to the December 15th payments is now largely determined. In accord with both your expressions and my own statements it is the duty of the United States to survey and exchange views on these questions individually with some of the debtor governments. It is necessary to consider the character of machinery to be erected for this purpose.

These problems cannot be disassociated from the problems which will come before the World Economic Conference and to some degree those before the

Conference on World Disarmament. As the economic situation in foreign countries is one of the dominant depressants of prices and employment in the United States it is urgent that the World Economic Conference should assemble at as early a date as possible. The United States should be represented by a strong and effective delegation. This delegation should be chosen at an early moment in order that it may give necessary consideration and familiarize itself with the problems, and secure that such investigation and study is made as will be necessary for its use at the conference.

Beyond this such problems as the exchange of views in respect to debts cannot be accomplished in satisfactory manner through the ordinary routine of diplomatic contacts. Satisfactory conclusions can only be reached by free and direct round table discussion with each government separately where agreement may be had upon fact and where conclusions can be reached. It has been an almost universal practice in our government where unusual and vital questions are involved to appoint special delegations to undertake such discussions. The routine machinery of diplomacy neither affords the type of men required nor can they give the time from other duties which such discussions require.

While we must not change our established policy of dealing with each debtor separately, and indeed no other course could be entertained in view of the widely divergent conditions which exist in the different countries and the very different situations in which they find themselves, and while the decision heretofore reached not to consider the debt question at the coming World Economic Conference is a wise one, it seems clear that the successful outcome of the World Economic Conference will be greatly furthered if the debt problems can be satisfactorily advanced before that conference although final agreement in some cases may be contingent upon the satisfactory solution of certain economic questions in which our country has a direct interest and the final determination of which may well form a part of the matters coming before the Economic Conference.

It is desirable that such delegation should include Members of the Congress in order that such intricate facts and circumstances can be effectively presented to the Congress. It is no derogation of executive authority to choose members from that quarter. It might be well to consider whether this delegation should also embrace in its membership some of the old or new members of the delegation to the Arms Conference in order that these three important questions should be given coordinate consideration.

If it were not for the urgency of the situation both at home and abroad and the possible great helpfulness to employment and agricultural prices and general restoration of confidence which could be brought about by successful issue of all these questions and the corresponding great dangers of inaction, it would be normal to allow the whole matter to rest until after the change of admin-

istration, but in the emergency such as exists at the moment I would be neglectful of my duty if I did not facilitate in every way the earliest possible dealing with these questions. It is obvious that no conclusions would be reached from such discussion prior to March 4th but a great deal of time could be saved if the machinery could be created at once by the appointment of the delegates as I have mentioned.

I shall be informing the Congress of the economic situation and of the desirability of the above proposed machinery for dealing with these conferences. I should be glad to know if you could join with me in the selection of such delegation at the present time or if you feel that the whole matter should be deferred until after March 4th. I believe there would be no difficulty in agreeing upon an adequate representation for the purpose. In such selection the first concern would be the selection of a Chairman for the delegation.

HERBERT HOOVER

[Gov. Franklin Roosevelt, Hyde Park, New York]

Albany, N.Y., December 19, 1932—8:50 p.m.

Dear Mr. President:

I have given earnest consideration to your courteous telegram of December seventeenth and I want to assure you that I seek in every proper way to be of help. It is my view that the questions of disarmament, intergovernmental debts and permanent economic arrangements will be found to require selective treatment even though this be with full recognition of the possibility that in the ultimate outcome a relationship of any two or of all three may become clear.

(1) As to Disarmament: Your policy is clear and satisfactory. Some time, however is required to bring it to fruition. Success in a practical program limiting armaments, abolishing certain instruments of warfare, and decreasing the offensive or attack power of all nations will in my judgment have a very positive and salutary influence on debt and economic discussions.

(2) As to the Debts: If any debtor nation desires to approach us such nation should be given the earliest opportunity so to do. Certainly in the preliminary conversations the Chief Executive has full authority either through the existing machinery of the Diplomatic service or by supplementing it with specially appointed agents of the President himself, to conduct such preliminary investigations or inquiries without in any way seeking formal Congressional action. I am impelled to suggest however that these surveys should be limited to determining facts, and exploring possibilities rather than fixing policies binding on the incoming administration. I wholly approve and would in no way hinder such surveys.

(3) As to the Economic Conference: I am clear that a permanent economic program for the world should not be submerged in conversations relating to disarmament or debts. I recognize of course a relationship, but not an identity. Therefore I cannot go along with the thought that the personnel conducting the conversations should be identical.

By reason of the fact that under the constitution I am unable to assume the authority in the matter of the agenda of the economic conference until after March fourth next, and by reason of the fact that there appears to be a divergence of opinion between us in respect to the scope of the conference, and further by reason of the fact that time is required to conduct conversations relating to debts and disarmaments, I must respectfully suggest that the appointing of the permanent delegates and the final determination of the program of the economic conference be held in abeyance until after March fourth. In the meantime I can see no objection to further informal conferences with the agenda committee, or to the carrying on of preliminary economic studies which would serve an undoubtedly useful purpose.

I feel that it would be both improper for me and inadvisable for you, however much I appreciate the courtesy of your suggestion, for me to take part in naming representatives. From the necessity of the case, they could be responsible only and properly to you as President for the effective performance of their assignments particularly in matters calling for almost daily touch with and direction of the Executive. I would be in no position prior to March fourth to have this constant contact.

I think you will recognize that it would be unwise for me to accept an apparent joint responsibility with you when, as a matter of constitutional fact, I would be wholly lacking in any attendant authority.

FRANKLIN D. ROOSEVELT

[The President, The White House]

Washington D.C., December 20, 1932—2:30 p.m.

My dear Governor:

I have your telegram expressing the difficulties which you find in cooperation at the present time. In the face of foreign conditions which are continually degenerating agricultural prices, increasing unemployment and creating economic difficulties for our people, I am unwilling to admit that cooperation cannot be established between the outgoing and incoming administrations which will give earlier solution and recovery from these difficulties.

If you will review my previous communications and conversations I think you will agree that while outlining the nature of the problems my proposals to you

have been directed to the setting up not of solutions but of the machinery through which by preparedness the ultimate solution of these questions can be expedited and coordinated to the end that many months of delay and increasing losses to our people may be avoided.

I fully recognize that your solution of these questions of debt, the world economic problems and disarmament might vary from my own. These conclusions obviously cannot be attained in my administration and will lie entirely within your administration. I wish especially to avoid any embarrassment to your work and thus have no intention of committing the incoming administration to any particular policy prior to March 4. Even the exploratory work you suggest should be participated in by men in whom you have confidence, and I wish to facilitate it. What I deem of the utmost importance is that when you assume responsibility on March 4 machinery of your approval will be here, fully informed and ready to function according to the policies you may determine.

My frequent statements indicate agreement with you that debts, world economic problems and disarmament require selective treatment, but you will agree with me that they also require coordination and preparation either in the individual hands of the then President or in the hands of men selected to deal with them and advise him. There is thus no thought of submerging the World Economic Conference with other questions, but rather to remove the barriers from successful issue of that conference.

With view to again making an effort to secure cooperation and that solidarity of national action which the situation needs, I would be glad if you could designate Mr. Owen D. Young, Colonel House, or any other men of your party possessed of your views and your confidence and at the same time familiar with these problems, to sit with the principal officers of this administration in endeavor to see what steps can be taken to avoid delays of precious time and inevitable losses that will ensue from such delays.

HERBERT HOOVER

[Governor Franklin D. Roosevelt, Albany, New York]

Albany, N.Y., December 21, 1932—9:45 p.m.

Dear Mr. President:

I think perhaps the difficulties to which you refer are not in finding the means or the willingness for cooperation but, rather, in defining clearly those things concerning which cooperation between us is possible.

We are agreed that commitments to any particular policy prior to March fourth are not for many reasons inadvisable and indeed impossible. There remains therefore before that date only the possibility of exploratory work and preliminary surveys.

Please let me reiterate not only that I am glad to avoid the loss of precious time through delay in starting these preliminaries but also that I shall gladly receive such information and expression of opinion concerning all of those international questions which because of existing economic and other conditions must and will be among the first concerns of my administration.

However, for me to accept any joint responsibility in the work of exploration might well be construed by the debtor or other nations, collectively or individually, as a commitment—moral even though not legal, as to policies and courses of action.

The designation of a man or men of such eminence as your telegram suggests would not imply mere fact-findings; it would suggest the presumption that such representatives were empowered to exchange views on matters of large and binding policy.

Current press dispatches from abroad already indicate that the joint action which you propose would most certainly be interpreted there as much more of a policy commitment than either you or I actually contemplate.

May I respectfully suggest that you proceed with the selection of your representatives to conduct the preliminary exploration necessary with individual debtor nations and representatives to discuss the agenda of the World Economic Conference, making it clear that none of these representatives is authorized to bind this government as to any ultimate policy.

If this be done, let me repeat that I shall be happy to receive their information and their expressions of opinion.

To that I add the thought that between now and March fourth I shall be very glad if you will keep me advised as to the progress of the preliminary discussions, and I also shall be happy to consult with you freely during this period.

FRANKLIN D. ROOSEVELT

[The President, The White House]

435

Introduction to a Series of Articles
in *The Scientific Monthly*.
December 23, 1932

[Released December 23, 1932. Dated November 28, 1932]

THE INSATIABLE curiosity of the human mind to probe the mysteries of Nature through scientific research into the operation of natural laws

has resulted in such wealth of new inventions and new products, so satisfying to material needs of the people, that the world is irrevocably committed to an eternal quest of further truth, with certainty of endless and ever more rapid change as new knowledge is translated into new conveniences and comforts. The social relations of mankind have already been altered by these changes beyond the utmost imagination of our forefathers. Further and more revolutionary changes will be wrought.

As government is the art of social relations under recognized authorities set up by the will of the people, any change wrought by scientific advance quickly produces new problems of government. The Federal Government itself long ago sensed the potentialities of science when it gave official status to the Smithsonian Institution. From that pioneer body has flowed a stimulation to scientific research of the most valuable character, both directly in its own discoveries and indirectly through its leadership and inspiration of private institutions. Science is also recognized and encouraged by the Federal Government in the researches of the Department of Agriculture in biology, entomology, and other fields; and similarly in other Departments which promote research. Thus the Government still does, and increasingly should, lead the way by example toward the discovery of new knowledge to free mankind from ignorance, superstition, needless fears and poverty. Nor should it be unremarked that a spiritual value accrues in all this labor, for science requires a degree of unselfishness and devotion which calls out the finest qualities of the human spirit, and, since its goal is truth, the noblest aspirations of mankind.

HERBERT HOOVER

NOTE: The President's introduction was printed in the magazine's January 1933 issue. The series of articles was entitled "The Scientific Work of the Government of the United States."

436

Message to the Nation's Christmas Tree Association.
December 25, 1932

[Released December 25, 1932. Dated December 6, 1932]

To the Nation's Christmas Tree Association:

Your Christmas service held each year at the foot of a living tree which was alive at the time of the birth of Christ, has now for several years lent an inspiring note to the celebration of Christmas. It should be continued as a further symbol of the unbroken chain of life leading back to this great moment in the spiritual life of mankind.

HERBERT HOOVER

NOTE: The message was sent to Treffe R. LaSenay, Nation's Christmas Tree Association, Fresno, Calif.

The message was read at the annual ceremony at the base of the General Grant redwood in General Grant National Park. The tree, believed to be the world's oldest living thing, had been designated in 1925 as the Nation's Christmas tree.

437

Statement on the Report of the President's
Research Committee on Social Trends.
January 2, 1933

THE PRESIDENT said:

"In commenting upon the publication of the Report of the President's Research Committee on Social Trends, I deem it worthwhile to expand somewhat the prefatory note which I prepared some months ago for publication with it. That foreword is as follows:

"In the autumn of 1929 I asked a group of eminent scientists to examine into the feasibility of a national survey of social trends in the United States, and in December of that year I named the present Committee under the chairmanship of Dr. Wesley C. Mitchell to undertake the researches and make a report. The survey is entirely the work of the

Committee and its experts, as it was my desire to have a complete, impartial examination of the facts. The Committee's own report, which is the first section of the published work and is signed by members, reflects their collective judgment of the material and sets forth matters of opinion as well as of strict scientific determination.

"Since the task assigned to the Committee was to inquire into changing trends, the result is emphasis on elements of instability rather than stability in our social structure.

"This study is the latest and most comprehensive of a series, some of them governmental and others privately sponsored, beginning in 1921 with the report on "Waste in Industry" under my chairmanship. It should serve to help all of us to see where social stresses are occurring and where major efforts should be undertaken to deal with them constructively.'

"I wish to add to the foregoing the observation that the significance of this report lies primarily first, in the fact that it is a cooperative effort on a very broad scale to project into the field of social thought the scientific mood and the scientific method as correctives to indiscriminating emotional approach and to insecure factual basis in seeking for constructive remedies of great social problems. The second significance of the undertaking is that, so far as I can learn, it is the first attempt ever made to study simultaneously all of the fundamental social facts which underlie all our social problems. Much ineffective thinking and many impracticable proposals of remedy have in the past been due to unfamiliarity with facts in fields related to that in which a given problem lies. The effort here has been to relate all the facts and present them under a common standard of measurement.

"I regard these aspects of the report as of far greater significance and value than any of its details, admirable though these studies are."

NOTE: The Committee's two volume report entitled "Recent Social Trends in the United States," was published by the McGraw-Hill Publishing Co. (New York and London, 1933).

438

Message Commemorating the Anniversary
of the Emancipation Proclamation.

January 2, 1933

THE 70 YEARS since the Emancipation Proclamation of the Negro race have witnessed an astounding progress in their development in every field of business, agriculture, and the professions. I heartily congratulate the colored people upon this record and I wish for them steady advance in their future well-being and happiness.

NOTE: The message was read at St. Mark's Methodist Episcopal Church in New York City during ceremonies commemorating the 70th anniversary of the proclamation.

As printed above, this item follows the text set forth in a contemporary news account.

439

The President's News Conference of
January 3, 1933

THE PRESIDENT. I wish to take this occasion to wish you all a Happy New Year.

REPORTER. We thank you, Mr. President.

THE PRESIDENT. No doubt you are going to find plenty of news during the next 12 months. That is the main objective of your lives.

REORGANIZATION OF THE EXECUTIVE BRANCH

I would like to discuss with you for a moment the question of reorganization of the Government.

The proposals of Democratic leaders in Congress to stop the reorganization of Government functions which I have made is a backward step. The same opposition has now arisen which has defeated every

918

effort at reorganization for 25 years. The chairman¹ of one House committee discloses: "Many members of the administration itself opposed Mr. Hoover's plan," but that he had not called them to testify because "he saw no reason to embarrass them." He could add that outside groups, congressional committees, and Members of Congress fear a reduction of influence in the administration of these functions. The proposal to transfer the job of reorganization to my successor is simply a device by which it is hoped that these proposals can be defeated. Statements that I have made over 10 years as to the opposition which has always thwarted reorganization have come true. Five years ago I made a statement like this:

"... Practically every single item in such a program has invariably met with opposition of some vested official, or it has disturbed some vested habit, and offended some organized minority. It has aroused the paid propagandists. All these vested officials, vested habits, organized propaganda groups, are in favor of every item of reorganization except that which affects the bureau or the activity in which they are specially interested. No proposed change is so unimportant that it is not bitterly opposed by someone. In the aggregate, these directors of vested habits surround Congress with a confusing fog of opposition. Meantime, the inchoate voice of the public gets nowhere but to swear at 'bureaucracy'."

Any real reorganization sensibly carried out will sooner or later embrace the very orders I have issued. For instance the consolidation of all agencies into one coordinated public works function has been recommended by every study of the subject since the Roosevelt administration. Every other advanced government on Earth has a definite public works department or division. No private business and no other government would tolerate the division of its construction work into over 20 authorities scattered through 12 different departments and establishments, as in the case of our Government. It is only by consolidation that duplication and waste of a multitude of offices and officials can be eliminated. It is the only way that the public can know

¹ Representative John J. Cochran was chairman of the House Committee on Expenditures in the Executive Departments.

what is going on in this branch of Government. They can only be brought under the limelight if they are concentrated in one place. It is the only way to further reduce logrolling and personal politics in these appropriations. The opposition to placing rivers and harbors work and a lot of independent activities into such a consolidation had been constant for years. The excuse that the services of the Army Engineers in the direction of such work will be sacrificed is untrue under the plan I proposed.

No other government and no good government would tolerate merchant marine activities separated over five or six departments or independent establishments. The same can be said as to public health, education, land utilization, et cetera. Altogether I have directed that 58 boards, commissions, and bureaus should be consolidated into nine divisions. There are still others to be consolidated. Many regulatory functions now in the departments should be transferred to the Federal Trade and other regulating commissions. The financial and economic functions relating to agriculture should be consolidated. There should also be some change in major departments.

Either Congress must keep its hands off now, or they must give to my successor much larger powers of independent action than given to any President if there is ever to be reorganization. And that authority to be effective should be free of the limitations in the law passed last year which gives Congress the veto power, which prevents the abolition of functions, which prevents the rearrangement of major departments. Otherwise it will, as is now being demonstrated in the present law, again be merely make-believe politics.

I have asked Mr. Joslin to get out extracts of what I have said about this before, because it is particularly apropos to the kind of opposition that has now developed.

Q. These other changes that can be made, will you be sending up any more Executive orders before March 4?

THE PRESIDENT. I think not. We have some studies going on that I would have sent up if there had been a disposition to go ahead. I may yet send them up if they are ready in time. There are regulatory functions in the departments carried out under Executive authority

and these amount to tyrannies of pretty poor order at times. They ought to be in the hands of regulatory bodies. That does not make so much for economy as for efficiency and better government.

There are some questions as to manufactured works in the Army and Navy that should be investigated and got in better unity, and these investigations are going on. But reorganization of the Government is a long process, and it ought to be done step by step.

Otherwise I have nothing to add.

NOTE: President Hoover's two hundred and sixty-third news conference was held in the White House at 12 noon on Tuesday, January 3, 1933.

On the same day, the White House issued a text of the President's statement about reorganization of the executive branch (see Item 440).

440

Statement About the Reorganization of the Executive Branch.

January 3, 1933

THE PRESIDENT said:

"The proposals of Democratic leaders in Congress to stop the reorganization of Government functions which I have made is a backward step. The same opposition has now arisen which has defeated every effort at reorganization for 25 years. The chairman of one House committee discloses: 'Many members of the administration itself opposed Mr. Hoover's plan,' but that he had not called them to testify because 'he saw no reason to embarrass them.' He could add that outside groups, congressional committees, and Members of Congress fear a reduction of influence in the administration of these functions. The proposal to transfer the job of reorganization to my successor is simply a device by which it is hoped that these proposals can be defeated. Statements that I have made over 10 years as to the opposition which has always thwarted reorganization have come true. Five years ago I said:

"... Practically every single item in such a program has invariably met with opposition of some vested official, or it has disturbed some

vested habit and offended some organized minority. It has aroused the paid propagandists. All these vested officials, vested habits, organized propaganda groups, are in favor of every item of reorganization except that which affects the bureau or the activity in which they are specially interested. No proposed change is so unimportant that it is not bitterly opposed by someone. In the aggregate, these directors of vested habits surround Congress with a confusing fog of opposition. Meantime, the inchoate voice of the public gets nowhere but to swear at 'bureaucracy'.

"Any real reorganization sensibly carried out will sooner or later embrace the very orders I have issued. For instance, the consolidation of all agencies into one coordinated public works function has been recommended by every study of the subject all these years. Every other advanced government on Earth has a definite public works department or division. No private business and no other government would tolerate the division of its construction work into over 20 authorities in 12 different departments and establishments, as is the case of our Government. It is only by consolidation that duplication and waste of a multitude of offices and officials can be eliminated. It is the only way that the public can know what is going on in this branch of Government. They can only be brought under the limelight if they are concentrated in one place. It is the only way to further reduce log-rolling and personal politics in these appropriations. The opposition to placing rivers and harbors work and a lot of independent activities into such a consolidation has been constant for years. The excuse that the services of the Army Engineers in the direction of such work will be sacrificed is untrue under the plan I have instituted.

"No other government and no good government would tolerate merchant marine activities separated over seven departments or independent establishments. The same can be said as to public health, education, land utilization, etc. Altogether I have directed that 58 boards, commissions, and bureaus should be consolidated into nine divisions. There are still others to be consolidated. Many regulatory functions now in the departments should be transferred to the Federal Trade and other regulating commissions. The financial and economic functions relat-

ing to agriculture should be consolidated. The major departments should be changed.

"Either Congress must keep its hands off now, or they must give to my successor much larger powers of independent action than given to any President if there is ever to be reorganization. And that authority to be effective should be free of the limitations in the law passed last year which gives Congress the veto power, which prevents the abolition of functions, which prevents the rearrangement of major departments. Otherwise it will, as is now being demonstrated in the present law, again be merely make-believe."

NOTE: On January 19, 1933, the House of Representatives passed House Resolution 334, disapproving Executive Orders 5959-5969 and preventing them from taking effect.

In the statement, the President referred to Representative John J. Cochran, chairman of the House Committee on Expenditures in the Executive Departments.

On the same day, the White House issued a series of extracts from President Hoover's previous statements concerning opposition to reorganization of the executive branch.

441

White House Statement About Appropriations for
United States Participation in the General Disarmament
Conference and the International Monetary
and Economic Conference.

January 3, 1933

THE PRESIDENT has today sent to Congress an estimate for an appropriation of \$150,000 for continuation of the work of the Arms Conference and a message recommending an appropriation of \$150,000 for expenses of participation of the United States in the International Economic Conference.

The purpose of these recommendations is to enable the Arms Conference to be carried forward, together with preparatory work of the Economic Conference, but more particularly to provide President-elect Roosevelt with necessary resources to carry forward these activities.

NOTE: The message transmitting the supplemental appropriations request to pay expenses of U.S. participation in the General Disarmament Conference and accompanying papers are printed in Senate Document 159 (72d Cong., 2d sess.).

The message transmitting the appropriations request to pay expenses of U.S. participation in the International Monetary and Economic Conference and accompanying papers are printed in House Document 517 (72d Cong., 2d sess.).

442

Remarks to the Conference on the Crisis in Education.
January 5, 1933

OUR NATION faces the acute responsibility of providing a right-of-way for the American child. In spite of our economic, social, and governmental difficulties, our future citizens must be built up now. We may delay other problems, but we cannot delay the day to day care and instruction of our children.

This Conference is unusual, in that it invites the cooperation of men of widely different points of view in the consideration of our school and tax system from the standpoint of maintaining the welfare of the children of today.

Our governmental forces have grown unevenly and along with our astounding national development. We are now forced to make decisions on the merits of the various expenditures. But in the rigid governmental economies that are requisite everywhere we must not encroach upon the schools or reduce the opportunity of the child through the school to develop adequate citizenship. There is no safety for our Republic without the education of our youth. That is the first charge upon all citizens and local governments.

I have confidence that with adequate reduction of expenditures there can be ample amounts obtained from reasonable taxation to keep our school system intact and functioning satisfactorily. Those in charge of the schools must be willing to face conditions as they are, to cooperate in discarding all unnecessary expenditure, to analyze all procedures, and

to carry forward on a solid basis of economy. But the schools must be carried on.

I wish to thank you for giving of your time and coming here to Washington for this meeting. I trust that out of it will come recommendations that will be of national significance. Above all, may I ask that throughout your deliberations you bear in mind that the proper care and training of our children is more important than any other process that is carried on by our Government. If we are to continue to educate our children, we must keep and sustain our teachers and our schools.

NOTE: The President spoke at 10 a.m. to the opening session of the Conference which met at the National Academy of Sciences Building in Washington, D.C.

443

Special Message to the Congress
on the Death of Calvin Coolidge.
January 5, 1933

To the Senate and House of Representatives:

It is my painful duty to inform you of the death today of Calvin Coolidge, former President of the United States.

There is no occasion for me to recount his eminent services to our country to members of the Senate and House, many of whom were so long associated with him. His entire lifetime has been one of single devotion to our country and his has been a high contribution to the welfare of mankind.

HERBERT HOOVER

The White House,
January 5, 1933.

444

Proclamation 2024, Announcing the Death
of Calvin Coolidge.

January 5, 1933

*By the President of the United States of America a Proclamation
To the People of the United States:*

It becomes my sad duty to announce officially the death of Calvin Coolidge, which occurred at his home in the City of Northampton, Massachusetts, on the fifth day of January, nineteen hundred and thirty-three, at twelve twenty-five o'clock in the afternoon.

Mr. Coolidge had devoted his entire life to the public service, and his steady progress from Councilman to Mayor of Northampton and thence upward as Member of the State Senate of Massachusetts, Lieutenant-Governor and Governor of Massachusetts, to Vice-President and President of the United States, stands as a conspicuous memorial to his private and public virtues, his outstanding ability, and his devotion to the public welfare.

His name had become in his own lifetime a synonym for sagacity and wisdom; and his temperateness in speech and his orderly deliberation in action bespoke the profound sense of responsibility which guided his conduct of the public business.

From the American people he evoked an extraordinary warmth of affectionate response to his salient and characteristic personality. He earned and enjoyed their confidence in the highest degree. To millions of our people his death will come as a personal sorrow as well as a public loss.

As an expression of the public sorrow, it is ordered that the flags of The White House and of the several departmental buildings be displayed at half staff for a period of thirty days, and that suitable military and naval honors under orders of the Secretary of War and the Secretary of the Navy may be rendered on the day of the funeral.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington this fifth day of January, in the year
of our Lord nineteen hundred and thirty-three, and of the
[SEAL] Independence of the United States of America the one
hundred and fifty-seventh.

HERBERT HOOVER

By the President:

HENRY L STIMSON

Secretary of State.

445

Message to the Annual Dinner of the Society
of the Genesee Honoring Edward Bausch.
January 9, 1933

[Released January 9, 1933. Dated January 3, 1933]

THE ANNUAL DINNERS of the Society of the Genesee represent in high degree the expression of a sentiment typically American. Our native individualism often carries us far from our early haunts, but by such gatherings as yours we recall the scenes of our youth and enshrine our early homes in happy memory. As long as we maintain this contact with the past we maintain the continuity of American tradition. I send my best wishes to the Society of the Genesee and my congratulations to your guest of honor, Edward Bausch of Rochester.

HERBERT HOOVER

NOTE: The message was sent to Louis Wiley, founder of the organization, and was made public in conjunction with the announcement of the society's 34th annual dinner to be held at the Hotel Commodore in New York City on January 23, 1933.

Dr. Bausch, president of Bausch and Lomb Optical Co., was honored for his contribution to science through the development and manufacture of the microscope.

Message to the Congress on the International Convention
for the Suppression of International Trade
in Arms and Ammunition and Implements of War.
January 10, 1933

To the Senate and House of Representatives:

Recent events have emphasized the urgent need of more authority to the Executive in control of the shipment of arms from the United States for military purposes. There can be no doubt that the control of such shipments to areas of prospective and actual international conflict would greatly aid the earnest and unceasing efforts which all nations now make to prevent and lessen the dangers of such conflicts.

However, for one nation alone to engage in such prohibitions while other nations continue to supply arms is a futility. Moreover it would tend to give advantage to one nation over another by increasing the war potentialities in manufacture and skill of noncooperating nations.

There is before the Senate an international convention for the suppression of international trade in arms and ammunition and implements of war signed at Geneva, June 17, 1925, awaiting ratification. This convention has been adhered to by a large number of the other important nations and is practically stopped through failure of the United States to adhere to it. Its ratification would contribute to the ends being sought by the entire world for the prevention and limitation of war. I earnestly urge that this convention should be ratified.

If, however, it is impossible, as seems to be the case, for the Senate to now ratify this treaty it is urgent that legislation should be passed conferring upon the President the authority in his discretion to limit or forbid shipment of arms for military purposes in cases where special undertakings of cooperation can be secured with the principal arms manufacturing nations.

While such a measure would not accomplish the whole of the purposes which the advance thought in the world requires, it would at least enable the Executive in special cases to place the United States

in line with other nations who are willing to make such sacrifices in the prevention of military conflict.

I therefore urge that this convention should receive ratification of the Senate now, or alternatively that legislation to the purpose mentioned should be promptly enacted.

I attach hereto the views of the Secretary of State upon this subject.

HERBERT HOOVER

The White House,
January 10, 1933.

NOTE: The message and accompanying papers are printed as Senate Document 169 (72d Cong., 2d sess.).

447

Message to a Conference
of the International Save the Children Fund.
January 10, 1933

[Released January 10, 1933. Dated December 10, 1932]

I WILL BE OBLIGED if you will express my cordial greetings to those gathered at the Save the Children meeting this evening, and my deep sense of the value of this work in behalf of childhood. Now, more than ever, we must be profoundly concerned to conserve these precious human values which are the hope and the promise of the future of the world.

HERBERT HOOVER

[Mrs. John Ferguson, c/o Save the Children Fund, 156 Fifth Ave., New York City]

NOTE: The message was read at a conference held in the Prince George Hotel in New York City.

Special Message to the Congress
on Bankruptcy Legislation.

January 11, 1933

To the Senate and House of Representatives:

On February 29th last I addressed the Congress on the urgent necessity for revision of the bankruptcy laws, and presented detailed proposals to that end. These proposals were based upon most searching inquiry into the whole subject which had been undertaken by the Attorney General at my direction. While it is desirable that the whole matter should be dealt with, some portions of these proposals as an amelioration of the present situation are proving more urgent every day. With view to early action, the department, committees and members of the Congress, have been collaborating in further development of such parts of these proposals as have, out of the present situation, become of most pressing need. I urge that the matter be given attention in this session, for effective legislation would have most helpful economic and social results in the welfare and recovery of the nation.

The process of forced liquidation through foreclosure and bankruptcy sale of the assets of individual and corporate debtors who through no fault of their own are unable in the present emergency to provide for the payment of their debts in ordinary course as they mature, is utterly destructive of the interests of debtor and creditors alike, and if this process is allowed to take its usual course misery will be suffered by thousands without substantial gain to their creditors, who insist upon liquidation and foreclosure in the vain hope of collecting their claims. In the great majority of cases such liquidation under present conditions is so futile and destructive that voluntary readjustments through the extension or composition of individual debts and the reorganization of corporations must be desirable to a large majority of the creditors.

Under existing law, even where majorities of the creditors desire to arrange fair and equitable readjustments with their debtors, their plans may not be consummated without prohibitive delay and ex-

pense, usually attended by the obstruction of minority creditors who oppose such settlements in the hope that the fear of ruinous liquidation will induce the immediate settlement of their claims.

The proposals to amend the Bankruptcy Act by providing for the relief of debtors who seek the protection of the court for the purpose of readjusting their affairs with their creditors carry no stigma of an adjudication in bankruptcy, and are designed to extend the protection of the court to the debtor and his property, while an opportunity is afforded the debtor and a majority of his creditors to arrange an equitable settlement of his affairs, which upon approval of the court will become binding upon minority creditors. Under such process it should be possible to avoid destructive liquidation through the composition and extension of individual indebtedness and the reorganization of corporations, with the full protection of the court extended to the rights and interests of creditors and debtors alike. The law should encourage and facilitate such readjustments, in proceedings which do not consume the estate in long and wasteful receiverships.

In the case of individual and corporate debtors all creditors should be stayed from the enforcement of their debts pending the judicial process of readjustment. The provisions dealing with corporate reorganizations should be applicable to railroads, and in such cases the plan of reorganization should not become effective until it has been approved by the Interstate Commerce Commission.

I wish again to emphasize that the passage of legislation for this relief of individual and corporate debtors at this Session of Congress is a matter of the most vital importance. It has a major bearing upon the whole economic situation in the adjustment of the relation of debtors and creditors. I therefore recommend its immediate consideration as an emergency action.

HERBERT HOOVER

The White House,
January 11, 1933.

NOTE: On March 3, 1933, the President approved H.R. 14359, the Bankruptcy Act of 1898, amendments (Public, No. 420, 47 Stat. 1467) which partially implemented his recommendations.

449

Veto of a Bill Providing for the Independence
of the Philippine Islands.

January 13, 1933

To the House of Representatives:

I return, herewith, without my approval, H.R. 7233, entitled "An act to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes."

The Philippine people have to-day as great a substance of ordered liberty and human freedom as any people in the world. They lack the form of separate nationality which is indeed their rightful spiritual aspiration. They have been encouraged in this aspiration by every President of the United States during the years of our association with the Philippines and by declarations of the Congress.

But in securing this spiritual boon to the 13,000,000 people in these islands the United States has a triple responsibility. That is responsibility to the Philippine people, responsibility to the American people, and responsibility to the world at large. Our responsibility to the Philippine people is that in finding a method by which we consummate their aspiration we do not project them into economic and social chaos, with the probability of breakdown in government, with its consequences in degeneration of a rising liberty which has been so carefully nurtured by the United States at the cost of thousands of American lives and hundreds of millions of money. Our responsibility to the American people is that we shall see the fact of Philippine separation accomplished without endangering ourselves in military action hereafter to maintain internal order or to protect the Philippines from encroachment by others, and above all that this shall be accomplished so as to avoid the very grave dangers of future controversies and seeds of war with other nations. We have a responsibility to the world that having undertaken to develop and perfect freedom for these people we shall not by our course project more chaos into a world already sorely beset by instability. The present bill fails to

fulfill these responsibilities. It invites all these dangers. It does not fulfill the idealism with which this task in human liberation was undertaken.

SUMMARY OF THE BILL

The bill provides for a constitution of a specified character to be framed by a Philippine convention, for the submission to the Filipino people, and for the incidental determination as to whether or not they desire independence. In the event of a favorable vote, and after probably about 2 years, an intermediate government of the Philippine Islands is established, the office of Governor General is abolished, and all important civil authority of the United States is effectively abrogated, except for certain inconsequential powers which are vested in a high commissioner. The United States retains also during the approximately 10-year period of intermediate government, the powers of limited control over legislation (by the President), of judicial review in certain cases (by the United States Supreme Court), of supervision of foreign affairs, and of military occupation. Immigration is regulated and during the same period certain duty-free imports into the United States are curtailed to specified quotas. The intermediate government is to levy export taxes, to increase from an initial charge of 5 per cent in the sixth year of that government to 25 per cent in the tenth year. Complete independence is automatically established in the eleventh year after the inauguration of the intermediate government; and all free trade between the Philippine Islands and the United States is then terminated, unless some other understanding is arrived at by a trade conference. The United States retains, after the establishment of independence, the right to maintain military and naval stations in the Philippine Islands; and the bill calls for an effort on the part of the United States to safeguard the future of the Islands by securing international neutralization.

I am returning this bill because I consider that it is subject to the most serious objections. In the statement which follows, I do not enter upon many secondary criticisms, but confine myself to the broader aspects of the subject, which, in any event, must dominate conclusions as to rightful action.

ECONOMIC AND SOCIAL CONSEQUENCES

During the period of intermediate government prior to complete independence, not alone the internal and external political relations of the Philippine people must be adjusted, but they must adjust their economic life to the complete abrogation of the present free-trade association with the United States. The period for such adjustment in this act is too short, too violent. These adjustments will not be confined to the period after independence. On the contrary, these reactions will begin much before that, for people do not wait to adjust their affairs until after a known certainty. They discount and prepare in advance. To grasp these implications, we must consider what is proposed at the end of the 10-year period. The free entry of Philippine products into the United States, that is 80 per cent of their foreign market, is to cease at that time, or at best be subject to an indefinite negotiation. Unfortunately for these people their economic life to-day, and for many years to come, is absolutely dependent upon their favored trade with the United States. Many of their industries can not compete with the lower standards of living and costs in other tropical and subtropical countries, except by virtue of their favored entrance to our markets. Lands now employed in these products must be abandoned or alternatively all real wages and standards of living and all land values must be reduced to the level of other competing countries. Consequently, capital invested in large industries, the security for mortgages held by their banks, their insurance companies, their other institutions must be greatly reduced, the financial system of the islands endangered, a flight of capital must ensue, the ability of the people to pay taxes undermined, the government revenues diminished, and its ability to maintain its obligations and to maintain public order will be weakened. The government already has difficulty balancing its budget and this difficulty will be thus intensified. Under these circumstances they must inevitably and soon greatly diminish a large part of their generous support to schools, health, and roads.

The American Government will be faced after projection of these events with years of military occupation among a degenerating economic and social life, with all its governmental difficulties.

A large part of the motivation for the passage of this bill is presumed relief to certain American agricultural industries from competition by Philippine products. We are trustees for these people and we must not let our selfish interest dominate that trust. However, from our agricultural point of view, during the first period of presumably two years it gives no protection of any kind. During the following five years it gives no effective protection because the amount of competitive commodities admitted into the United States duty-free is in sugar 50 per cent larger than that of 1928; vegetable oils 25 per cent larger. In any event the sugar benefits inure more largely to foreign producers than to our own farmers. If we are to predicate the fate of 13,000,000 people upon this motive we should at least not mislead our farmers about it. If we are to base our action upon economic consideration—and I do not neglect its importance—then also we should give regard to our farmers, workers, and business men whose livelihood, particularly upon the Pacific coast, will be largely destroyed by lack of positive provisions for reciprocal trade after independence upon which they can predicate their future.

RESPONSIBILITY WITHOUT AUTHORITY

The bill weakens our civil authority during the period of intermediate government to a point of practical impotence. The powers which the high commissioner can exercise on his own initiative are unimportant, and those which can be delegated to him by the President over legislation are doubtful and indirect. During this period, however, the American flag will be flying and our Army will be in occupation. Our Government, with inadequate civil means for exercising its sovereign authority to control the situation but with continued moral responsibility to maintain stable government, will daily, during those years, be faced with the likelihood of having to employ military measures to maintain order in a degenerating social and economic situation, or alternately to expend large sums from

our taxpayers in supporting a constantly enfeebled government. Not alone do these difficulties arise from the intermediate situation we create, but the non-Christian population who are as yet bitterly opposed to the controlling group, constituted at the last Philippine census a majority of the combined population of nine Provinces, occupying about 40 per cent of the total land area of the Philippine Islands. The maintenance of order in this considerable element has presented many difficulties to us in the past and it is not reasonable to assume that the intermediate government will be as well qualified to handle the situation as the present régime for a long time. Moreover, without real civil authority we can have no assurance that the intermediate government may not find itself in difficulties with citizens of other nationalities which may involve the United States. Such responsibility in these situations, without adequate authority, can lead only to disaster.

INABILITY TO PROVIDE MILITARY FORCES FOR PRESERVATION OF INTERNAL ORDER OR EXTERNAL DEFENSE

The income of the Philippine government has never in the past been sufficient to meet, in addition to other expenditures, the cost of supporting even the Filipino Scouts, much less an army or navy. The United States expends to-day upon the native and American military forces, for the protection and assurance of internal order, and for the maintenance of the minimum requirements of external defense, a sum amounting to approximately 28 per cent of the entire revenues of the Philippine government. If the naval expenditures of the United States in the Philippine Islands are included, this figure is increased to 36 per cent; and it must be remarked that both figures relate to the expenses of the forces actually in the islands and do not include the very pertinent potential protection afforded by the entire military and naval powers of the United States. It can scarcely be expected that the Philippine Islands will be able to increase their revenues by 36 or even 28 per cent to provide the force necessary for maintaining internal order and the minimum of external defense, even were no internal economic degeneration anticipated. They could only do so at a sacrifice of a large part of their educational and public improvements.

PRESENT EXTERNAL DANGERS TO INDEPENDENCE

The Philippines include, in terms of comparison with their neighboring oriental countries, large areas of undeveloped resources. The pressures of those immense neighbor populations for peaceful infiltration or forceable entry into this area are most potent. Many of these races are more devoted to commercial activities than the population of the islands and the infiltration is constant and fraught with friction. Nor has the spirit of imperialism and the exploitation of peoples by other races departed from the Earth. After the establishment of independence the Filipino people alone will be helpless to prevent such infiltration or invasion. Their problem is infinitely different from that of Cuba or other nations in the Western Hemisphere. Moreover, the political dangers of the situation are greatly increased by the present political instability in the Orient. The impact of western ideas upon oriental systems of culture and government has created a profound ferment among this half of the population of the world. Our own future and the future of the Filipino people, both in maintenance of peace and the development of our own economic life and trade, are deeply involved.

To-day the picture is chaotic. It is impossible to see what the next two decades may bring. It is a certainty that at the end of such a period we can see more clearly and the Philippine people can see more clearly the forces which are formulating. It would be the part of common caution upon their own behalf and both generosity and caution in our own part that final determination as to the nature of our relations should be deferred and that both of us should take this momentous decision after a much longer period than two years. When the Philippine people vote within two years upon a constitution they take the irrevocable step of final independence. By maintenance of our military occupation and our national guardianship, the United States must and will give protection against external pressure during the period of intermediate government. The bill makes no effective provision for the maintenance of their independence thereafter from outside pressure, except a promise of effort on our part toward neutralization. We

have the option to continue maintenance of military and naval bases. Other nations are unlikely to become parties to neutralization if we continue such bases and neutralization is a feeble assurance of independence in any event unless we guarantee it. That again is the perpetual engagement of the United States in their affairs. But with the impression that these ideas in the bill convey it is likely that the Philippine people would vote in two years in the belief that independence is thereby attained and with the more or less general belief that we will indefinitely engage our power and our own future welfare in the altruistic mission of preserving their independence from international forces against which they are incapable of defending themselves. Therefore, before any plebiscite is held we should honestly and plainly declare our intentions. This bill does not do this. In discharge of the moral responsibilities of our country we have no right to force an irrevocable decision on their part to be taken two years hence at a moment in history when the outlook in the world and of their surroundings is at best unfavorable to their permanent independence.

CONCLUSIONS

If the American people consider that they have discharged their responsibilities to the Philippine people, have carried out the altruistic mission which we undertook, if we have no further national stake in the islands, if the Philippine people are now prepared for self-government, if they can maintain order and their institutions, if they can now defend their independence, we should say so frankly on both sides. I hold that this is not the case. Informed persons on neither side have made such declarations without many reservations. Nor can these conditions be solved by the evasions and proposals of this bill without national dishonor.

In my view we must undertake further steps toward the liberation of the Philippine Islands, but they should be based upon a plebiscite to be taken 15 or 20 years hence. On such an occasion there would be a full impress upon the Filipinos of the consequences of their act instead of its confusion as a side issue to the substitution of another interme-

diate form of self-government offering no vital improvement in their liberties to that they now possess. They should then have freedom to form their own constitution and government, both in the light of experience and the forces moving at that time. In the meantime we should develop steadily through an expansion of the organic act a larger importance to their own officials by extension of authority to Cabinet government, with a full reserve of powers to our representatives. Immigration should be restricted at once. We should cooperate with them to bring about their economic independence before the plebiscite by very gradual reduction of their free imports. We should, prior to such plebiscite, or any sooner date that the Philippine people propose, fix a mutual preference in trade similar to and on a wider scale than that with Cuba. The United States should plainly announce prior to the time of this plebiscite whether (a) it will make absolute and complete withdrawal from all military and naval bases, and from every moral or other commitment to maintain their independence, or (b) the conditions as to authority and rights within the islands under which we will continue that protection.

These final steps cannot be properly determined now by either the Philippine people or ourselves.

We are here dealing with one of the most precious rights of man—national independence interpreted as separate nationality. It is the national independence of 13,000,000 human beings. We have here a specific duty. The ideals under which we undertook this responsibility, our own national instincts and our institutions which we have implanted on these islands, breathes with these desires. It is a goal not to be reached by yielding to selfish interests, to resentments, or to abstractions, but with full recognition of our responsibilities and all their implications and all the forces which would destroy the boon we seek to confer and the dangers to our own freedom from entanglements which our actions may bring. Neither our successors nor history will discharge us of responsibility for actions which diminish the liberty we seek to confer nor for dangers which we create for ourselves as a consequence of our acts. This legislation puts both our people and the Philippine people not on the road to liberty and safety, which we desire, but on

the path leading to new and enlarged dangers to liberty and freedom itself.

HERBERT HOOVER

The White House,
January 13, 1933.

NOTE: Congress enacted H.R. 7233 over the President's veto on January 17, 1933, as Public, No. 311 (47 Stat. 761). The Philippine Legislature, however, voted to reject independence under the terms of the act, and the legislation was never implemented.

On the same day, the White House issued texts of reports on the bill by Secretary of War Patrick J. Hurley, Secretary of State Henry L. Stimson, Secretary of Commerce Roy D. Chapin, and Secretary of Agriculture Arthur M. Hyde.

450

Special Message to the Congress
on Federal Expenditures and Revenues.
January 17, 1933

To the Senate and House of Representatives:

In my Budget message of December 5, I laid before the Congress the financial situation of the Government together with proposals for the next fiscal year.

It was pointed out that due to decreasing revenues and despite the efforts of the Congress and the Administration, we were again faced with a deficit during the next fiscal year. I urged upon the Congress the necessity for further drastic reduction in expenditures and increase in revenues.

I now approach the Congress again upon this subject, knowing that the Members are fully possessed of the complete necessity of a balanced Budget as the foundation of economic recovery and to urge that action should be taken during the present session to bring this about.

The great problem before the world to-day is a restoration and maintenance of confidence. I need scarcely repeat that the maintenance of confidence in the financial stability of the United States Government

is the first contribution to all financial stability within our borders, and in fact in the world as a whole. Upon that confidence rests the credit of the States, the municipalities, all our financial institutions and industry—it is the basis of recovered employment and agriculture.

The increase in revenues enacted at the last session have not had the results hoped for because of continued economic stagnation. The income of the Government for the next fiscal year nominally estimated at \$2,950,000,000 is likely to fall short under present world conditions by anywhere from \$100,000,000 to \$300,000,000.

Expenditures (and I speak in terms of expenditures rather than appropriations because of the confusion caused by carry-over of appropriations) for the present fiscal year, including post office deficit but excluding debt redemption, are estimated at about \$3,771,000,000. If expenditures are continued during the next fiscal year at the present rate there would thus be a deficit of from \$920,000,000 to \$1,120,000,000 in the next fiscal year exclusive of sinking fund charges.

Obviously the first necessity of a nation of decreasing income is reduction in expenditures. My message of December 5, as supplemented, recommended very large specific reductions of appropriations and economies for the next fiscal year. These proposals (including the effect of previous appropriations and obligations) would reflect an expenditure next year, excluding debt redemption but including post office deficit, of about \$3,233,000,000, a decrease as compared to the current year of about \$538,000,000.

Assuming that these economies and reductions of appropriations will be adopted, on this basis of calculation there would still be a deficit, exclusive of debt redemption, of about \$400,000,000 to \$600,000,000. Certainly with the general economic outlook in respect to income and the legislative outlook in respect to recommended economies the latter figure is the most likely of realization.

The first essential is that the maximum appropriations and economies set out in the Budget message as supplemented should be adhered to. The second is that there should be no new authorizations or appropriations brought forward. The third is that even the appropriations recommended should be reduced at every point the Congress is able to find

an avenue therefor. So far as appropriation bills as dealt with by the House of Representatives or the committees thereof, the results have been disappointing. Maximum appropriations for the different departments which were recommended in the Executive Budget have not been adhered to. My Executive orders to consolidate some 58 Government functions into a few divisions with resulting economies appears likely of refusal by the Congress with resultant continuing waste. I regret to say that the same forces are at work which thwarted the savings of several hundred millions we sought to effect at the last session of Congress. We are, during the current year and even in the next fiscal year, suffering from that failure.

In the five departmental bills dealt with by the House or by the committees thereof at this session, a total of appropriations were recommended by the Executive which would result in an expenditure (exclusive of debt redemption) of \$2,263,000,000, being a decrease of expenditures in these departments of \$264,400,000 under the present fiscal year. Some items in these bills have been genuinely decreased by action of the committees or the votes of the House. Others have been increased. Still others have been given the appearance of reduction but in reality must be restored during the next fiscal year by deficiency bills.

The items in which there have been genuine decreases in these appropriations aggregate about \$23,500,000, but of this \$10,000,000 is reduction in the public buildings for which commitments have been authorized.

Items have been decreased which will in all probability be required through deficiency bills amounting to approximately \$41,400,000.

Items have been increased amounting to approximately \$58,200,000.

There is thus produced an appearance of slightly greater saving than recommended in the executive Budget, but in reality an actual increase by over \$35,000,000. If the Congress would accept the cuts recommended in the executive Budget and also the genuine cuts made by the House Committee on Appropriations or as passed by the House, it would represent a real decrease in Government expenses over those in the Budget in respect to these bills of some \$23,500,000.

There are yet remaining to be reported appropriation bills in which reductions have been recommended by the Executive which would secure reductions on those agencies of \$249,000,000 less than those of the current year.

In consideration of reductions I realize the pressures upon the Congress. I also recognize many organizations advocating economy do not fully understand the limitations under which the Congress works in reduction of expenditures. In order to clarify this I may classify the Government expenditures proposed for the next fiscal year into six groups (excluding debt redemption but including post office deficit).

1. Interest on the public debt which cannot be reduced.....	\$725, 000, 000
2. Trust funds, tax refunds, District of Columbia budget, contributions to civil-service pensions, post office subsidies to air and foreign mail which are represented by fixed obligations and other similar items on which there is no opportunity to reduce.....	310, 900, 000
3. Public works and their maintenance (excluding military, naval and veterans construction which are in following items) has been reduced practically to commitments and contracts outstanding.....	305, 000, 000
4. Expenditures on military establishments.....	612, 700, 000
5. Expenditures on veterans have been reduced in the Executive proposals by \$121,000,000	818, 400, 000
6. All other expenditures of the Government including the legislative, the judiciary, law enforcement, prisons, foreign affairs, fiscal and tax service, public health, education, forests, fisheries, aids to agriculture, labor, commerce, safety of life at sea, inspection of food products and a multitude of vital services, including the post office as represented by the remaining deficiency and all other independent establishments except the Veterans' Bureau	461, 000, 000
Total.....	3, 233, 000, 000

It will be seen that about 86 per cent of the whole expenditure of the Government lies in the first five items.

No matter how rigid economies may be it is obvious that the Budget can not be balanced without a most substantial increase in revenues. But the progress of appropriation bills, however, would indicate that the executive recommendations on which all these calculations are based will not be realized by \$100,000,000 or more and, therefore, it is more likely that the deficit will amount to from \$500,000,000 to \$700,000,000.

In canvassing the three major fields of possible income, that is, income taxes, customs and excise taxes, I believe that inquiry by the Congress will develop that income taxes under the act of 1932 have been developed to the point of maximum productivity unless we are prepared to abandon our American system of fairly high exemption and reasonably low rates applicable to the smaller incomes and, in any event, by keeping to these principles no further burdens in this direction would substantially increase revenues and solve the questions. One of the first economic effects of the increases already made is the retreat of capital into tax exempt securities and the denudation of industry and commerce of that much available capital.

The customs revenues and other miscellaneous revenues are not likely to be increased except through recovery in trade. In my view, therefore, the field for substantial increase in Federal Government revenues resolves itself to the exploration of the possibilities of so-called excise or sales taxes. In the estimated revenues for the next fiscal year nearly \$700,000,000 is comprised of so-called excise taxes which are levied on a few score different manufactured commodities. These taxes are in fact manufacturers sales taxes. Any attempted distinction between "excise" taxes on manufactured commodities, or "sales" taxes on manufactured commodities is mere juggling with words. Of the taxes now levied, nearly \$200,000,000 are upon essentials as distinguished from so-called nonessentials. The Congress has thus already established a "sales tax" as the basis for one-quarter of the whole public revenues, and has already adopted "sales" taxes upon essentials as distinguished from nonessentials. To extend this form of taxation is neither new nor revolutionary. Instead of spreading it over a few scores of commodities and services at irregular rates which cause discrimination and hardship between industries, it would seem the essence of good statesmanship to apply such a tax generally at a low rate upon all manufacturers except upon food and cheaper grades of clothing, and thereby give to the Federal Government a stable basis of income during the period of depression.

The balancing of the Budget is one of the essential steps in strengthening the foundations for recovery. Capital expenditures are a very

important item in our economic life. There can be no doubt that there is an enormous accumulated demand for capital funds that would be expended for equipment and replacements of all kinds if long-time funds could be obtained cheaply and if confidence were restored. For some time now long-time funds have not been available for the public at reasonable rates. The retirement of the Federal Treasury from the market as a constant borrower, the balancing of the Federal Budget and the refunding operations necessary to bring the Government debt into better balance would have a stimulating effect, would vitalize our entire credit structure and produce one of the conditions essential to continued recovery.

It is essential that the Government undertake at an early moment the refunding of outstanding high interest-bearing Liberty bonds into bonds bearing a lower rate of interest. It is essential, too, that a portion of our short-term borrowing should be converted into longer term issues. A balanced Budget would greatly facilitate such an operation.

Every principle of sound governmental management and wise economic policy call for the prompt balancing of the Federal Budget. This all-important objective is definitely within reach, and more determined effort will bring us to the goal we have been striving to reach in the face of unparalleled difficulties.

One of the most helpful contributions which the Congress and this administration could give to the next administration would be to enable them to start with the Federal Budget in balance and the Federal finances in order.

HERBERT HOOVER

The White House,
January 17, 1933.

451

The President's News Conference of
January 18, 1933

THE PRESIDENT. I haven't anything for quotation this morning. I have two or three questions on which I can give you the background.

CONFERENCE WITH THE PRESIDENT-ELECT

Governor Roosevelt and I are having a conference on Friday morning. As far as I know it is confined entirely to questions of foreign affairs, which the two administrations are equally interested in carrying forward. It will be a discussion of what is going on. Other than that there is nothing contemplated that I know of.

Q. Mr. President, by foreign affairs does that include the debt questions?

THE PRESIDENT. Not necessarily.

FEDERAL EXPENDITURES AND REVENUES

Now, there was some discussion in Congress yesterday with regard to the economies. Mr. Byrns¹ misunderstood one sentence—which was rather isolated from others in my message—construed it into the meaning that I wished Congress to appropriate a maximum of the budget. I think anyone who will read the surrounding sentences will see it is directed to the maximum economies. The fact of the case is that the Appropriations Committee and the administration uses different figures, which leads to confusion in all these discussions. We have a constant, inherent confusion in the budgetary questions arising out of

¹ Representative Joseph W. Byrns, chairman of the House Appropriations Committee, had challenged the President's message on Federal expenditures and revenues (Item 450) and declared that, despite the President's claims, real savings had been effected in the supply bills.

the permanent and continuing appropriations as distinguished from the annual appropriations. The budget is made up to include the continuing and permanent appropriations always, so as to display the entire problem. The committee, on the other hand, deals with only the annual appropriations; so there is a constant confusion of figures there. It does not matter which base one takes if you simply stick to it either side. And, therefore, the figures which Mr. Byrns gave—and there is no incorrectness on his part—he was talking about appropriations as recommended to the committee, which do not include the permanent appropriations. Do you see?

But there is one difference in presentation of the budget, entirely apart from that question of difference in base, that arises out of the method in which the budget was formulated this year. If you will look at the budget message you will find that it was gotten up in two columns. The first column was the budget as estimated in the body of the budget. And the second column was the budget as modified by the additional recommendations in the budget message. New appropriations were sent up in draft to the appropriations committees as usual sometime before the budget message, and in the budget message further reductions and further economies were proposed, bringing the budget down by an additional \$200-odd millions. The Appropriations Committee seems to insist upon using the preliminary figures setup and not including the supplemental reductions which were sent up and which are in column two of the budget message. If those figures were used—the final figures of the budget as sent up—the appropriations would show a saving of \$43 million in the five bills already dealt with in the House committee, of more economies than those in the preliminary budget figures sent to the committee. So that by using the preliminary figures they rather have the advantage of the administration by \$43 million, and at the same time they do not include the whole of the economies which were recommended. But any check of

the figures that were sent up yesterday will find they are completely accurate, as they were formulated by the Bureau of the Budget after very careful examination on all sides.

BANKRUPTCY LEGISLATION

There is one very important legislative matter before Congress. It is in the nature of emergency legislation, and that is the alteration of the bankruptcy laws. That is, I believe, one of the most forward steps taken in dealing with the present emergency. It goes very deeply into the whole of the problems which we are confronted with. Under the bankruptcy law as it has hitherto existed, the creditor moves in on the debtor. He sets up a process in the court which leads only to the liquidation of the property—either foreclosure of a mortgage or receivership in railways, et cetera, and commercial concerns, intended to liquidate the property and displace the former management.

The object of this bill is to secure a method by which you preserve the debtor and give him an opportunity to work out his situation. If he can make an agreement with the majority of his creditors he can then obtain the protection of the court and continue in the operation of his property. It gives him an opportunity to work out. It is the longest step that we have ever taken in the legal relations of the debtor and the creditor. Now, thousands or hundreds of thousands of people are in difficulties through no fault of their own, and in the ordinary readjustment of the economic situation they will be able to pull their businesses through on some basis of adjustment with their creditors, or even, if they have time, to pay their creditors entirely. But at the present moment under the present laws the creditor goes to the court and secures the eviction of the man from his home or his farm or the eviction, in effect, of the management from a commercial concern and starts in to liquidate. Liquidation is always destructive. Under this proposed process the debtor can get together with the majority of

his creditors. And you will find that the majority of the creditors in these times are anxious for the man indebted to continue to struggle and get himself out, and they are only too glad to have him go on. The usual difficulty arrives with some minor creditor. And this gives him an opportunity to set up an agreement with the majority of the creditors and continue to conduct his business under the protection of the court.

I do not know of anything that would be of more value to the country at the present moment than the passage of that legislation. So far as I know there is no opposition to it. It is purely a question of routine or getting around to it. I think there is a widening general agreement both in the country and in the Congress. That fundamental proposed change in the bankruptcy laws, of course, was made as the result of the whole bankruptcy situation, the original recommendations as to which were sent to Congress a year ago. But the growing acuteness of the economic situation has brought it not only into more urgent desirability but has gotten it a very large public interest which it would not otherwise have.

And that is all that I have got today.

Q. Mr. President, is that background?

THE PRESIDENT. Yes.

NOTE: President Hoover's two hundred and sixty-fourth news conference was held in the White House at 11:30 a.m. on Wednesday, January 18, 1933.

As enacted, the Bankruptcy Act of 1898, amendments (H.R. 14359) is Public, No. 420 (47 Stat. 1467), approved March 3, 1933.

The President's News Conference of
January 20, 1933

BUDGETARY DEFICITS AND REORGANIZATION OF THE EXECUTIVE BRANCH

THE PRESIDENT. The estimate which I gave to Congress in the message a few days ago as to the size of the deficit obviously depends upon the amount of economies which the Congress brings about. You will recollect that the budget proposed \$850 million of reductions in appropriations, which would have amounted to about \$530 million of actual reduction in expenditure in the next fiscal year, the difference being due to continuing appropriations and the obligations outstanding in respect to them.

I stated the other day that the five appropriation bills that have been dealt with by the House committee show an increase of about \$35 million in expenditure, and I have had some inquiry as to the details of that. I have, therefore, had a statement prepared by the Budget which will be given to you, showing the whole of the changes made in the appropriations, both up and down.

I regret, of course, that the Democratic majority did not see fit to assist us in the consolidation of the 58 bureaus and commissions into a few divisions. I regret especially that there was not an inquiry as to the merit of those proposals. While I have the conviction that any examination of the merits would have resulted in the whole of them being adopted, certainly some of them would have been accepted upon examination. It is worth recollecting that the Joint Commission on Reorganization of the Government in 1920 was a bipartisan commission of the House and Senate, together with the Executive. If any of you wish to amuse yourselves sometime by looking up those records, you will find a large number of those Executive orders followed not only that com-

mission but in Taft's administration and in Wilson's. So some consolidations at least are so manifest that they have been accepted by every administration for 25 years. No doubt they would have brought about considerable economies. No one is prepared to estimate the number of officials to be diminished, or the number of offices to be consolidated, or the saving in purchase of supplies and better accounting, et cetera. But in any event it would have been something for the taxpayer in the next fiscal year.

CONFERENCE WITH THE PRESIDENT-ELECT

Now, I have had some questions on the conference with Governor Roosevelt this morning. I have nothing to add, of course, to the statement that was issued. Purely for background, there are one or two things I could reply to that seem to me to be consequential on the statement. One of them is obviously that the administration will cooperate with information and preparation. The other is that negotiations will take place entirely within the next administration, as it states in the release made this morning that the representatives, if it is accepted by the British Government, are expected to arrive here early in March. And early in March I think you will agree that this administration will not be here. It would seem to me to be a logical conclusion that the negotiations would be carried on by the next administration.

Q. Mr. President, what you had to say at first, is that prepared?

THE PRESIDENT. Yes, I will give you that.

NOTE: President Hoover's two hundred and sixty-fifth news conference was held in the White House at 4 p.m. on Friday, January 20, 1933.

On the same day the White House issued a text of the President's statement on budgetary deficits and reorganization of the executive branch (see Item 453).

453

Statement on Budgetary Deficits
and Reorganization of the Executive Branch.

January 20, 1933

THE PRESIDENT said:

"The estimates which I gave in my recent message to Congress as to the probable size of the deficit will depend, of course, upon how far the Congress adopts economies which I have recommended. The budget calls for \$850 million reduction in appropriations for the next fiscal year, which would result in a reduction of about \$530 million of expenditures, the difference being due to old continuing appropriations and commitments in respect to them.

"I stated the other day that the five appropriation bills so far dealt with by the House or committees of the House showed an actual increase of about \$35 million instead of a decrease. The details are given in the attached statements. However, the largest part of the economies proposed in the budget have yet to be dealt with.

"I regret, of course, that the consolidation of 58 bureaus and commissions into a few divisions which I had directed by Executive Orders [5959-5969], has been nullified by the action of the House of Representatives [H. Res. 334]. There was apparently no examination of the merits of the different Executive orders by the House or the House committees and certainly no hearings of any consequence were undertaken. While it is my conviction that all these orders would be accepted, if accurately investigated, yet it is a certainty that if they were investigated at all, the majority of them would have been passed.

"The Joint Committee on Reorganization of the Government, created in December 1920 and comprising representatives of the Executive together with members of both parties in the House and Senate, agreed upon the same fundamentals as were represented in my Executive orders.

“There is no question that the consolidations would have brought about great economies. No one wishes to estimate these economies until it is possible to determine accurately how many offices can be abolished, how much can be saved by the more advantageous purchase of supplies and the greater coordination of work. But it is a certainty that great economies would have been made if the program had been carried out. It would have been a contribution to lessening taxation in the forthcoming fiscal year.”

NOTE: On the same day, the White House issued the following analyses, summaries, and tables.

ANALYSIS OF BUDGET ESTIMATES WHICH HAVE BEEN ACTED UPON BY THE HOUSE OF REPRESENTATIVES OR ITS COMMITTEE ON APPROPRIATIONS TO
JANUARY 17, 1933

Department and Type of Appropriation	President's recommen- dations for appropriations (Second figure column on first page of Budget Message)	Increases by House of Represent- atives or by Appropriations Committee of the House of Representatives		Decreases by House of Represent- atives or by Appropriations Committee of the House of Representatives		Amount approved by House of Repre- sentatives or by Appropriations Committee of the House of Representatives
		By failure to accept the rec- ommendations	Other increases	Genuine Reductions	Postponements to future Deficiency bills	
Agriculture:						
Annual.....	\$105,130,181	\$2,931,612		\$1,138,315	\$6,814,387	\$100,109,091
Permanent.....	10,753,116					10,753,116
Total.....	115,883,297	2,931,612		1,138,315	6,814,387	110,862,207
Interior:						
Annual.....	44,487,543	1,596,386	\$460,000	846,425	2,044,600	43,652,904
Permanent.....	12,107,000					12,107,000
Total.....	56,594,543	1,596,386	460,000	846,425	2,044,600	55,759,904
Post Office:						
Annual.....	694,343,491	29,784,670	5,177,800	1,315,400	10,957,183	717,033,378
Permanent.....	165,000					165,000
Total.....	694,508,491	29,784,670	5,177,800	1,315,400	10,957,183	717,198,378

Treasury (Exclusive of Public Debt):					
Annual.....	265, 237, 330	4, 963, 410	12, 167, 521	13, 650, 000	244, 383, 219
Permanent.....	19, 660, 817				19, 660, 817
Total.....	284, 898, 147	4, 963, 410	12, 167, 521	13, 650, 000	264, 044, 036
War:					
Annual.....	348, 496, 591	4, 033, 554	9, 285, 793	7, 911, 951	345, 843, 532
Permanent.....	12, 479, 440				12, 479, 440
Total.....	360, 976, 031	4, 033, 554	9, 285, 793	7, 911, 951	358, 322, 972
Aggregate:					
Annual.....	1, 457, 695, 136	43, 309, 632	14, 923, 593	23, 538, 116	1, 451, 012, 124
Permanent.....	55, 165, 373				55, 165, 373
Total.....	\$1, 512, 860, 509	\$43, 309, 632	\$14, 923, 593	\$23, 538, 116	\$1, 506, 177, 497
Bureau of the Budget, January 18, 1933.					

January 18th 9:30 A.M.

The genuine cuts are summarized by Departments as follows:

Agriculture.....	\$1, 138, 315
Interior.....	846, 425
Post Office.....	1, 315, 400
Treasury.....	12, 167, 521
War.....	8, 070, 455

Total.....	\$23, 538, 116
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The postponements to deficiency bills are:

Agriculture.....	\$6, 814, 387
Interior.....	2, 044, 600
Post Office.....	10, 957, 183
Treasury.....	13, 650, 000
War.....	7, 901, 951

Total.....	\$41, 368, 121
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The increases are:

	<i>Recommendations of economies not adopted</i>	<i>Other Increases</i>
Agriculture.....	\$2, 931, 600	
Interior.....	1, 596, 300	\$460, 000
Post Office.....	29, 784, 600	5, 177, 800
Treasury.....	4, 963, 400	
War.....	4, 033, 400	9, 285, 793
	43, 309, 300	14, 923, 593
	14, 923, 593	
	\$58, 232, 893	

The details of these amounts are shown in the attached tabulations.

STATEMENT OF REDUCTIONS BELOW 1934 BUDGET ESTIMATES MADE IN APPROPRIATION BILLS WHICH
HAVE BEEN REPORTED BY THE HOUSE COMMITTEE ON APPROPRIATIONS OR PASSED BY THE HOUSE
OF REPRESENTATIVES

Items	Total Reductions	Reductions which would require appropria- tions later	Reductions which would result in savings
<i>Agriculture Bill</i> ¹ —As passed by the House			
Office of Information:			
Printing and Binding.....	\$50,000		\$50,000
Extension Service:			
Farmers' Coop. Dem. Work.....	20,000		20,000
Agri. Exhibits at Fairs.....	89,085		89,085
Weather Bureau:			
Horticultural protection.....	7,448		7,448
Animal Industry:			
Tuberculosis Erad. Indemnities.....	40,000		40,000
Diseases of Animals.....	17,900		17,900
Erad. hog cholera.....	14,390		14,390
Erad. Dourine.....	4,000		4,000
Plant Industry:			
Citrus canker eradication.....	1,542		1,542
Cotton production and diseases.....	4,921		4,921
Dry land agriculture.....	7,639		7,639
Forage crops and diseases.....	24,486		24,486
Sugar plant investigations.....	8,409		8,409
Tobacco investigations.....	2,403		2,403
Western irrigation agriculture.....	1,655		1,655
Forest Service:			
Sanitary facilities.....	1,096		1,096
Planting.....	60,800		60,800
Range investig.....	12,102		12,102
Forest economies.....	5,608		5,608
Forest fire cooperation.....	13,720		13,720
Acquisition of lands.....	106,246		106,246
Chemistry and Soils:			
Agri. Chemical Investigation.....	16,238		16,238
Color investigation.....	730		730
Fertilizer investigation.....	5,987		5,987
Soil survey.....	13,792		13,792
Entomology:			
Fruit and shade tree insects.....	745		745
Truck and garden crop insects.....	5,100		5,100
Forest insects.....	13,730		13,730
Cereal and forage insects.....	36,400		36,400
Cotton insects.....	14,320		14,320
See footnote at end of table.			

STATEMENT OF REDUCTIONS BELOW 1934 BUDGET ESTIMATES MADE IN APPROPRIATION BILLS WHICH HAVE BEEN REPORTED BY THE HOUSE COMMITTEE ON APPROPRIATIONS OR PASSED BY THE HOUSE OF REPRESENTATIVES—Continued

Items	Total Reductions	Reductions which would require appropria- tions later	Reductions which would result in savings
<i>Agriculture Bill—As passed by the House—Continued</i>			
Entomology—Continued			
Insects affecting man and animals.....	\$4, 850		\$4, 850
Household and stored products insects.....	3, 600		3, 600
Identification & class'n of insects.....	4, 030		4, 030
Bee culture.....	1, 730		1, 730
Biological Survey:			
Maint. of mammal & bird Resv'n.....	3, 601		3, 601
Food habits, birds and animals.....	18, 677		18, 677
Control of predatory animals.....	10, 454		10, 454
Prod. of fur-bearing animals.....	3, 791		3, 791
Biological inv.....	8, 287		8, 287
Enf. Alaska game law.....	5, 158		5, 158
Bear River Mig. bird refuge.....	2, 114		2, 114
Migratory bird conservation act.....	104, 775		104, 775
Public Roads:			
Federal-Aid highways.....	4, 814, 387	\$4, 814, 387	
Agricultural Engineering:			
Agri. engineering investigation.....	75, 187		75, 187
Agricultural Economics:			
Farm manag. & Practice.....	6, 487		6, 487
Marketing and dist.....	17, 270		17, 270
Crop and livestock estimates.....	25, 642		25, 642
Foreign competition and demand.....	5, 930		5, 930
Market news service.....	4, 400		4, 400
Cotton statistics.....	3, 477		3, 477
Enforcement Perish. Agri. Com. Act.....	1, 426		1, 426
Cotton standards act.....	1, 480		1, 480
Grain standards Act.....	6, 630		6, 630
Wool marketing studies.....	2, 400		2, 400
Plant Quarantine:			
Plant Quarantine Act.....	1, 481		1, 481
Gipsy Moth.....	35, 000		35, 000
Corn Borer.....	171, 900		171, 900
Enforcement grain futures act.....	1, 370		1, 370
Food and Drug Administration:			
Enforcement food and drug act.....	3, 224		3, 224
Enforcement tea import. act.....	647		647
Enforcement insecticide act.....	2, 805		2, 805

STATEMENT OF REDUCTIONS BELOW 1934 BUDGET ESTIMATES MADE IN APPROPRIATION BILLS WHICH
HAVE BEEN REPORTED BY THE HOUSE COMMITTEE ON APPROPRIATIONS OR PASSED BY THE HOUSE
OF REPRESENTATIVES—Continued

Items	Total Reductions	Reductions which would require appropria- tions later	Reductions which would result in savings
<i>Agriculture Bill—As passed by the House—Continued</i>			
Miscellaneous:			
Forest roads and trails.....	\$2, 000, 000	\$2, 000, 000	
Total, Department of Agriculture.....	7, 952, 702	6, 814, 387	1, 138, 315
<i>Interior Bill—As passed by the House</i>			
General Land Office:			
Salaries.....	\$41, 670		\$41, 670
Surveying public lands.....	44, 090		44, 090
Contingent expenses of Land Office.....	17, 170		17, 170
Protecting public lands.....	10, 000		10, 000
Bureau of Indian Affairs:			
Salaries.....	22, 460		22, 460
Purchase and transportation of supplies.....	44, 600	44, 600	
Field representatives.....	620		620
Judges of Indian courts.....	2, 000		2, 000
Indian police.....	10, 000		10, 000
Determining heirs of deceased Indians.....	460		460
Probate attorneys.....	690		690
Surveying and allotting reservations.....	4, 190		4, 190
Quieting land titles, Pueblo Indian land grants.....	1, 000		1, 000
Supervision of mining operations by Geological Survey.....	9, 000		9, 000
Expenses of obtaining employment for Indians.....	30, 000		30, 000
Development of agriculture and stock raising.....	58, 000		58, 000
Irrigation, Wind River Reservation.....	2, 240		2, 240
Boarding schools.....	13, 005		13, 005
Education of natives in Alaska.....	21, 800		21, 800
Bureau of Reclamation:			
Boulder Canyon project.....	2, 000, 000	2, 000, 000	
Geological Survey:			
Salaries.....	3, 340		3, 340
Topographic surveys.....	62, 000		62, 000
Geologic surveys.....	35, 700		35, 700
Fundamental research in geologic science.....	46, 470		46, 470
Volcanologic surveys.....	6, 010		6, 010
Mineral resources of Alaska.....	60, 180		60, 180
Gaging streams.....	81, 400		81, 400

STATEMENT OF REDUCTIONS BELOW 1934 BUDGET ESTIMATES MADE IN APPROPRIATION BILLS WHICH
HAVE BEEN REPORTED BY THE HOUSE COMMITTEE ON APPROPRIATIONS OR PASSED BY THE HOUSE
OF REPRESENTATIVES—Continued

Items	Total Reductions	Reductions which would require appropriations later	Reductions which would result in savings
<i>Interior Bill—As passed by the House—Continued</i>			
Geological Survey—Continued			
Classification of lands.....	\$72, 950		\$72, 950
Printing and binding.....	64, 170		64, 170
Mineral leasing.....	25, 180		25, 180
National Park Service:			
Salaries.....	4, 490		4, 490
General expenses.....	9, 000		9, 000
Acadia National Park.....	5, 040		5, 040
General Grant National Park.....	3, 150		3, 150
Glacier National Park.....	9, 380		9, 380
Grand Teton National Park.....	3, 790		3, 790
Lassen Volcanic National Park.....	15, 030		15, 030
Sequoia National Park.....	5, 000		5, 000
Zion National Park.....	2, 440		2, 440
Insect control and fire prevention.....	14, 670		14, 670
Office of Education:			
Salaries.....	15, 610		15, 610
Temporary Government for Virgin Islands.....	13, 030		13, 030
Total, Dept. of the Interior.....	2, 891, 025	2, 044, 600	846, 425
Less increase, Howard University, power plant.....			460, 000
Net savings.....			386, 425
<i>Post Office Bill—As passed by the House</i>			
DEPARTMENTAL			
Contingent expenses			
Stationery.....	3, 000		3, 000
Fuel and repairs.....	2, 500		2, 500
Miscellaneous items.....	2, 000		2, 000
Furniture and filing cabinets.....	2, 500		2, 500
Printing and binding.....	80, 000	80, 000	
FIELD SERVICE			
Office of the Postmaster General:			
Freight, express, or motor transportation of equipment.....	50, 000		50, 000
Office of the Chief Inspector:			
Traveling expenses.....	25, 000		25, 000

STATEMENT OF REDUCTIONS BELOW 1934 BUDGET ESTIMATES MADE IN APPROPRIATION BILLS WHICH
HAVE BEEN REPORTED BY THE HOUSE COMMITTEE ON APPROPRIATIONS OR PASSED BY THE HOUSE
OF REPRESENTATIVES—Continued

Items	Total Reductions	Reductions which would require appropriations later	Reductions which would result in savings
<i>Post Office Bill—As passed by the House—Continued</i>			
FIELD SERVICE—Continued			
Office of the First Assistant:			
Compensation to postmasters.....	\$1, 022, 000	\$1, 022, 000	.....
Compensation to assistant postmasters.....	216, 667	216, 667	.....
Clerks, contract stations.....	50, 000	.....	\$50, 000
Separating mails.....	30, 000	.....	30, 000
Unusual conditions at post offices.....	25, 000	.....	25, 000
Clerks, third class post offices.....	299, 200	299, 200	.....
Miscellaneous items, first and second class post offices.....	180, 400	180, 400	.....
Village delivery service.....	66, 700	66, 700	.....
Carfare and bicycle allowance.....	50, 000	50, 000	.....
Special delivery fees.....	24, 200	24, 200	.....
Office of the Second Assistant:			
Star Route Service.....	500, 000	500, 000	.....
Star Route Service, Alaska.....	5, 000	5, 000	.....
Power-boat service.....	50, 000	50, 000	.....
Railroad transportation and mail messenger service.....	5, 000, 000	5, 000, 000	.....
Railway mail service salaries.....	500, 000	500, 000	.....
Railway mail service, traveling expenses.....	5, 000	.....	5, 000
Railway mail service, misc. expenses.....	25, 000	25, 000	.....
Electric and cable car service.....	30, 000	30, 000	.....
Foreign mail transportation.....	1, 950, 000	1, 829, 600	120, 400
Balances due foreign countries.....	200, 000	200, 000	.....
Contract air mail service.....	1, 000, 000	.....	1, 000, 000
Office of the Third Assistant:			
Manufacture of postage stamps and stamped paper..	100, 000	100, 000	.....
Indemnities, domestic mail.....	100, 000	100, 000	.....
Office of the Fourth Assistant:			
Stationery.....	25, 000	25, 000	.....
Post Office equipment and supplies.....	150, 000	150, 000	.....
Twine and tying devices.....	20, 000	20, 000	.....
Shipment of supplies.....	1, 291	1, 291	.....
Labor saving devices.....	12, 125	12, 125	.....
Mail bags and equipment.....	50, 000	50, 000	.....
Rent, light and fuel.....	400, 000	400, 000	.....
Total.....	12, 272, 583	10, 957, 183	1, 315, 400

STATEMENT OF REDUCTIONS BELOW 1934 BUDGET ESTIMATES MADE IN APPROPRIATION BILLS WHICH HAVE BEEN REPORTED BY THE HOUSE COMMITTEE ON APPROPRIATIONS OR PASSED BY THE HOUSE OF REPRESENTATIVES—Continued

Items	Total Reductions	Reductions which would require appropria- tions later	Reductions which would result in savings
<i>Post Office Bill—As passed by the House—Continued</i>			
INCREASES			
Office of the First Assistant:			
Clerks, etc., first and second class post offices			\$3, 491, 400
City Delivery carriers			203, 400
Rural Delivery Service			1, 483, 000
Total increase			5, 177, 800
Net increase			3, 862, 400
<i>Treasury Department Bill—As passed by the House</i>			
Chief Clerk:			
Contingent expenses	\$10, 000		\$10, 000
Division of Supply:			
Printing and Binding	25, 000		25, 000
Stationery	25, 000		25, 000
General Supply Committee	5, 400		5, 400
Division of Bookkeeping and Warrants:			
Contingent expenses, public monies	5, 000		5, 000
Public Debt Service:			
Public Debt Service	29, 200		29, 200
Distinctive paper for U.S. Securities	18, 180		18, 180
Bureau of Customs	192, 400		192, 400
Federal Farm Loan Bureau	35, 200		35, 200
Bureau of Internal Revenue	120, 960		120, 960
Refund of Taxes Illegally Collected	13, 000, 000	\$13, 000, 000	
Bureau of Industrial Alcohol	98, 065		98, 065
Bureau of Narcotics	27, 573		27, 573
Coast Guard:			
Pay and Allowances	(1)709, 322		(1)709, 322
Fuel and Water	50, 000		50, 000
Outfits	46, 140		46, 140
Contingent Expenses	9, 000		9, 000
Repairs to Coast Guard Vessels	77, 242		77, 242
Bureau of Engraving and Printing	125, 000		125, 000
Secret Service:			
Uniforms, White House Police	500		500
See footnote at end of table.			

STATEMENT OF REDUCTIONS BELOW 1934 BUDGET ESTIMATES MADE IN APPROPRIATION BILLS WHICH HAVE BEEN REPORTED BY THE HOUSE COMMITTEE ON APPROPRIATIONS OR PASSED BY THE HOUSE OF REPRESENTATIVES—Continued

Items	Total Reductions	Reductions which would require appropria- tions later	Reductions which would result in savings
<i>Treasury Department Bill—As passed by the House—Continued</i>			
Public Health Service:			
Office of Surgeon General.....	\$2, 530		\$2, 530
Pay, etc. Commissioned Officers.....	42, 084		42, 084
Pay of personnel and maintenance of hospitals.....	77, 870		77, 870
Studies of rural sanitation.....	92, 045		92, 045
Division of venereal diseases.....	13, 060		13, 060
Bureau of the Mint:			
Salaries and expenses, mints and assay offices.....	40, 750		40, 750
Supervising Architect:			
Sites and construction of public buildings.....	10, 000, 000		10, 000, 000
Remodeling and enlarging public buildings.....	200, 000	\$200, 000	
Post Office and Court House, Hilo, Hawaii.....	5, 000		5, 000
Narcotic Farm, Lexington, Ky.....	200, 000	200, 000	
Rent of temporary quarters.....	100, 000	100, 000	
Repairs and preservation of public buildings.....	150, 000		150, 000
Mechanical equipment for public buildings.....	50, 000	50, 000	
Furniture and repairs of same for public buildings...	100, 000	100, 000	
Operating supplies for public buildings.....	135, 000		135, 000
Total, Treasury Department.....	25, 817, 521	13, 650, 000	12, 167, 521

¹ Of this figure a reduction of \$475,000 was requested by the Bureau of the Budget due to elimination of reenlistment allowance.

STATEMENT OF REDUCTIONS BELOW 1934 BUDGET ESTIMATES MADE IN APPROPRIATION BILLS WHICH HAVE BEEN REPORTED BY THE HOUSE COMMITTEE
ON APPROPRIATIONS OR PASSED BY THE HOUSE OF REPRESENTATIVES

	Total Reductions	Reductions which would require appropriations later	Reductions which would result in savings	Remarks
<i>War Department Bill—As reported to the House</i>				
TITLE I—MILITARY ACTIVITIES				
Salaries, departmental.....	\$10, 125	.....	\$10, 125	.....
Contingent expenses, departmental.....	23, 000	.....	23, 000	.....
Printing and binding, departmental.....	50, 000	.....	50, 000 A	Actually no cut
Contingencies, Military Intelligence Division, General Staff.....	35, 010	.....	35, 010	.....
Army War College.....	6, 880	.....	6, 880	Discharges employees
Command and General Staff School.....	7, 985	.....	7, 985	.....
Welfare of enlisted men.....	175	.....	175	.....
Pay of the Army.....	2, 310, 501	\$2, 201, 951 B	108, 550	.....
Mileage.....	68, 750	.....	68, 750	.....
Expenses of courts-martial.....	5, 000	.....	5, 000	.....
Finance service, field employees, salaries.....	6, 820	.....	6, 820	.....
Subsistence of the Army.....	1, 138, 400	1, 100, 000 C	38, 400	.....
Regular supplies of the Army.....	800, 064	500, 000 D	300, 064	.....
Clothing and equipage of the Army.....	1, 581, 534	1, 500, 000 D	81, 534	.....
Incidental expenses, Army.....	67, 604	.....	67, 604	Discharges employees
Army transportation.....	2, 021, 978	425, 000 E	1, 596, 978	" "
Horses, draft and pack animals.....	220, 875	.....	220, 875	Immobilize certain units mounted
Barracks and quarters.....	1, 928, 725	.....	1, 928, 725 F	.....
Construction and repair of hospitals.....	23, 822	.....	23, 822	.....

Signal service of the Army.....	129, 083	.....	129, 083	.....
Air Corps, Army.....	494, 375	.....	494, 375	.....
Medical and hospital department.....	175, 495	175, 000 D	495	.....
Engineer Service, Army.....	26, 158	.....	26, 158	.....
Ordnance service and supplies.....	149, 344	.....	149, 344	.....
Rock Island Arsenal bridges, operation and maintenance.....	1, 000	.....	1, 000	.....
Chemical Warfare Service, Army.....	+85, 962	.....	.....	.....
Cavalry School.....	310	.....	310	.....
Field Artillery instruction.....	1, 400	.....	1, 400	.....
National Guard camps of instruction.....	+200, 000	.....	.....	Immediately available, 1933; no Budget estimate.
National Guard armory drill pay.....	+8, 934, 831	.....	.....	\$2, 000, 000 immediately available, 1933; no Budget estimate.
National Guard, —uniforms, equipment, etc.....	1, 000, 000	.....	1, 000, 000	.....
Reserve Officers' Training Corps.....	557, 798	.....	557, 798	.....
Civilian military training camps.....	1, 000, 000	.....	1, 000, 000	Estimate all camps.
Ordnance equipment for civilian rifle instruction.....	+50, 000	.....	.....	.....
Maintenance, U.S. Military Academy.....	79, 835	.....	79, 835	.....
Totals, Title I.....	-13, 922, 046	-5, 901, 951	-8, 020, 095	.....
	+9, 270, 793	.....	.....	.....
	-4, 651, 253 Net	.....	.....	.....

TITLE II—MILITARY ACTIVITIES

Cemeterial expenses.....	46, 165	.....	46, 165	.....
Petersburg National Military Park.....	+10, 000	.....	.....	.....
Shiloh National Military Park.....	+5, 000	.....	.....	No Budget estimate.

See footnote at end of table.

STATEMENT OF REDUCTIONS BELOW 1934 BUDGET ESTIMATES MADE IN APPROPRIATION BILLS WHICH HAVE BEEN REPORTED BY THE HOUSE COMMITTEE ON APPROPRIATIONS OR PASSED BY THE HOUSE OF REPRESENTATIVES—Continued

	Total Reductions	Reductions which would require appropriations later	Reductions which would result in savings	Remarks
<i>War Department Bill—As reported to the House—Continued</i>				
TITLE II—NON-MILITARY ACTIVITIES—Continued				
Washington-Alaska Cable and Telegraph System...	\$995		\$995	
Preservation of historical fortifications, San Juan, P.R.....	10, 000	\$10, 000		
Dam #2, Muscle Shoals—maintenance and operation.....	3, 200		3, 200	Actually no cut.
Panama Canal—maintenance and operation.....	2, 000, 000	2, 000, 000 G		
Totals, Title II.....	-2, 060, 360 +15, 000	2, 010, 000	50, 360	
	-2, 045, 360 Net			
Grand totals.....	-15, 982, 406 +9, 285, 793	-7, 911, 951	-8, 070, 455	
	-6, 696, 613 Net			

A. In addition, new language inserted authorizes payment for printing survey reports from River and Harbor Appropriations.

B. Committee report proposes no reduction in strengths, hence deficiency is indicated; exact amount indeterminate now.

C. Possibly can be absorbed if cost of ration remains at 31.5¢ (or is less)—rate used by Committee. Any increase in cost eats into working capital, which must be replaced by supplemental appropriation.

D. Will create deficiency—amount cannot now be determined. This figure is an estimate.

E. Estimated deficiency if travel becomes military necessity. Total cut will result in grossly inadequate motor facilities.

F. Of this cut, \$1,203,700 is replaced by a reappropriation of unexpended funds. Net cut is, therefore, \$725,025.

G. Nullified by provision authorizing use of \$2,000,000 of Panama Railroad dividends, reducing receipts by same amount.

454

White House Statement About a Meeting
With President-Elect Roosevelt.

January 20, 1933

THE CONFERENCE between the President and the President-elect this morning was attended by Secretaries Stimson and Mills and Messrs. Norman Davis and [Raymond] Moley. The discussions were devoted mainly to a canvass of the foreign situation and the following statement covering the procedure to be followed was agreed upon:

“The British Government has asked for a discussion of the debts. The incoming administration will be glad to receive their representative early in March for this purpose. It is, of course, necessary to discuss at the same time the world economic problems in which the United States and Great Britain are mutually interested, and therefore that representatives should also be sent to discuss ways and means for improving the world situation.”

It was settled that these arrangements will be taken up by the Secretary of State with the British Government.

455

Message to The International Benjamin Franklin Society.
January 21, 1933

[Released January 21, 1933. Dated January 19, 1933]

My dear Mr. Stout:

The world today more than ever needs the breadth of vision and the wisdom so conspicuously exemplified in the life of Benjamin Franklin. I shall hope that the meeting of the International Benjamin Franklin Society may be helpful in the development of such an attitude.

Yours faithfully,

HERBERT HOOVER

[Mr. J. Robert Stout, President, The International Benjamin Franklin Society,
2305 Woolworth Building, New York City]

NOTE: The message was read at the society's 10th annual luncheon, held at the Hotel Plaza in New York City.

456

Veto of a Bill To Supply
Deficiency and Supplemental Appropriations.
January 24, 1933

To the House of Representatives:

I return herewith without signature—

H.R. 13975, An Act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1933, and for other purposes.

I disapprove of the bill with great regret, as the appropriations provided for relief and other purposes are urgently needed, and with the hope that the Congress may early amend the Act.

Attached hereto is the opinion of the Attorney General who has most carefully reviewed the subject.

968

The difficulty lies not alone in the unconstitutionality of the provisions for legislative determination of individual tax refunds, but the further fact that in the opinion of the Attorney General those provisions invalidate these appropriations themselves.

I recognize that refunds of taxes overpaid present a subject of constant discussion and that there is a natural desire for assurance that such refunds are correctly made. Such an assurance would, I am sure, be a relief to administrative officers having to deal with this difficult subject. I would suggest, however, that if the Congress deems the system provided by existing laws should be reinforced, it should be accomplished through the creation of additional auditing machinery and not by Congress undertaking executive and administrative functions.

HERBERT HOOVER

The White House,
January 24, 1933.

NOTE: The House of Representatives referred the bill to the Appropriations Committee.

Attorney General William D. Mitchell's letter, dated January 24, 1933, follows:

Sir:

I have your letter of January 23rd, relating to the urgent deficiency bill, H. R. 13975, recently passed by both Houses of Congress and submitted for your approval.

You call particular attention to the paragraph appropriating a lump sum for refunding taxes illegally or erroneously collected, and ask for my comment upon it. It is as follows:

"BUREAU OF INTERNAL REVENUE

Refunding taxes illegally or erroneously collected: For refunding taxes illegally or erroneously collected, as provided by law, including the payment of claims for the fiscal year 1933 and prior years, \$28,000,000: *Provided*, That a report shall be made to Congress by internal-revenue districts and alphabetically arranged of all disbursements hereunder in excess of \$500 as required by section 3 of the Act of May 29, 1928 (U. S. C., Supp. V, title 26, sec. 149), including the names of all persons and corporations to whom such payments are made, together with the amount paid to each: *Provided*, That no refund or credit of any income or profits, estate, or gift tax in excess of \$20,000 shall be made after the enactment of this Act until a report thereof giving the name of the individual, trust, estate, partnership,

company, or corporation to whom the refund or credit is to be made, the amount of such refund or credit, and the facts in connection therewith are submitted by the Commissioner of Internal Revenue to the Joint Committee on Internal Revenue Taxation and action thereon taken by said committee. The said committee or its duly authorized staff shall have full access to all the papers and shall examine into and pass upon the case, and no refund or credit in excess of \$20,000 shall be made until the Joint Committee on Internal Revenue Taxation shall have so passed on such refund or credit, fixed the amount thereof, and made its report to the Commissioner of Internal Revenue; and no refund or credit in excess of \$20,000 shall be made without the approval of said committee. This proviso shall not apply to refunds or credits made pursuant to a judgment of a court having jurisdiction over the subject matter, or a decision of the United States Board of Tax Appeals, which has become final."

Question arises at once whether the proviso authorizing the Joint Committee of Congress to make the final decision as to whether refunds over \$20,000 shall be made and to fix the amount thereof presents constitutional objections.

By other existing legislation the Congress has set up in the Treasury Department an administrative system of examining into claims for refund of taxes alleged to have been erroneously or illegally collected, and authorizing the administrative allowance of such claims, and the system in force involves the appropriation from time to time of lump sums, not for any particular claim, but available generally for administrative repayment of taxes determined in the Treasury to have been illegally or erroneously collected. This legislation establishes administrative or executive functions, and the process of applying and executing the law involves administrative and executive action.

Under the proviso in the urgent deficiency bill the action of the executive officers in the Treasury Department charged with the duty of executing the law respecting refunds, would be subject to review by a joint committee of the Congress, and the members of that committee would exercise final authority and make the decisions as to whether refund should be made and in what amounts. The Constitution of the United States divides the functions of the Government into three great departments, the legislative, the executive, and the judicial, and establishes the principle that they shall be kept separate and that neither the legislative, executive, nor judicial branch may exercise functions belonging to the others. The proviso in the urgent deficiency bill violates this constitutional principle. It attempts to entrust to members of the legislative branch, acting *ex officio*, executive functions in the execution of the law, and it attempts to give to a committee of the legislative branch power to approve or disapprove executive acts. If the functions to be performed by the joint committee are administrative or executive in character, the bill is subject to the further objection that the selection of the personnel by the Congress is an infringement of the constitutional function of the executive to make appointments

and is an attempt by the legislative branch to make appointments of officials performing administrative or executive functions.

If the process of examination and allowance of a claim for refund of taxes may be viewed as a legislative function, the proviso in this bill is equally obnoxious to the Constitution because a joint committee has not power to legislate, and legislative power cannot be delegated to it. These principles are settled by many decisions of the Supreme Court of the United States, to only a few of which need reference be made. In *United States v. Ferreira*, 13 Howard 39, 46-51, the Court considered a statute purporting to authorize a District Judge to pass upon claims arising under the Spanish Treaty, but which provided that the claims should only be paid by the Secretary of the Treasury if deemed by him to be just and equitable. The Court held that the functions of the judge under this statute were not judicial and could not be conferred upon him as a judge, but that he might be considered as acting as a commissioner, and said:

"The duties to be performed are entirely alien to the legitimate functions of a judge or court of justice, and have no analogy to the general or special powers ordinarily and legally conferred on judges or courts to secure the due administration of the laws. And, if they are to be regarded as officers, holding offices under the government, the power of appointment is in the President, by and with the advice and consent of the senate; and Congress could not by law, designate the persons to fill these offices. And if this be the construction of the Constitution, then as the judge designated could not act in a judicial character as a court, nor as a commissioner, because he was not appointed by the President, everything that has been done under the acts of 1823, and 1834, and 1849, would be void. . . ."

In *Kilbourn v. Thompson*, 103 U.S. 168, the Court held that duties which the House of Representatives attempted to confer upon a committee were judicial in character and not susceptible of exercise by the legislative department. See also *Crenshaw v. United States*, 134, U.S. 99; *Myers v. United States*, 272 U.S. 52. A very recent case is that of *Springer v. Philippine Islands*, 277 U.S. 189. The Organic Act, under which the Philippine Government operates, provides for separation of legislative, executive, and judicial functions, as does the Constitution of the United States, and vests in the executive the powers of appointment of executive officers. The Philippine legislature passed an act attempting to create a board of control, consisting of The Governor General, the President of the Senate, and the Speaker of the House of Representatives, to vote the stock in and have a voice in the management of the Philippine National Bank and other governmental corporations. The Court said:

"Legislative power, as distinguished from executive power, is the authority to make laws, but not to enforce them or appoint the agents charged with the duty of such enforcement. The latter are executive functions. . . ."

“Not having the power of appointment unless expressly granted or incidental to its powers, the legislature cannot engraft executive duties upon a legislative office, since that would be to usurp the power of appointment by indirection; though the case might be different if the additional duties were devolved upon an appointee of the executive.”

It held the act of the legislature violative of the Organic Act.

There are various ways in which refunds of illegally collected taxes may be provided for. Congress, if it chooses, acting under the power to make appropriations from the public Treasury and the power to maintain the immunity of the Federal Government from suit in the courts, may withhold the power to make refunds from the executive branch and from the courts, and itself deal with the subject by the method of making specific appropriations from time to time to pay specific claims which it deems just. Dealt with in that manner, the authorization of the refund constitutes a legislative act. If Congress confers jurisdiction on the courts to examine such claims and award judgment against the Government, the function of allowance becomes a judicial act although there still remains the necessity for legislative action in the form of appropriations to pay the judgments. Where, as under existing law, machinery has been set up in the Treasury Department for administrative examination and allowance of these claims by executive officers, the function of executing this law becomes an executive one and must be left with executive officers appointed, not by the legislative branch, but by the executive.

It will be seen, therefore, that the matter of making refunds may involve either legislative, executive, or judicial functions, depending on the system adopted, but in the present case it is unnecessary to make any close analysis of the nature of the function of refunding illegally collected taxes. If it be an executive or judicial function, clearly a joint committee of the Congress may not execute it, and if it is a legislative function it is equally clear that a joint committee may not perform it. Action by a committee is not legislation and a committee of the Congress cannot legislate.

If the process attempted by this bill were reversed and a joint committee were required merely to examine these claims and make recommendations to the Congress as to their allowance, to be followed by appropriate legislative action in the form of a statute for their payment, passed in the usual way and approved by the President or passed over his veto, a different situation would exist.

This proviso cannot be sustained on the theory that it is a proper condition attached to an appropriation. Congress holds the purse-strings and it may grant or withhold appropriations as it chooses, and when making an appropriation may direct the purposes to which the appropriation shall be devoted and impose conditions in respect to its use, provided always that the conditions do not require

operation of the Government in a way forbidden by the Constitution. Congress may not, by conditions attached to appropriations, provide for a discharge of the functions of Government in a manner not authorized by the Constitution. If such a practice were permissible, Congress could subvert the Constitution. It might make appropriations on condition that the executive department abrogate its functions. It might, for example, appropriate money for the War Department on condition that the direction of military operations should be conducted by some person designated by the Congress, thus requiring the President to abdicate his functions as Commander-in-Chief. During the administration of President Buchanan, a bill provided for an appropriation for the completion of the Washington Aqueduct and prescribed that its expenditure should be under the superintendence of Captain Meigs. In a special message to the House (June 25, 1860) the President said:

"I deemed it impossible that Congress could have intended to interfere with the clear right of the President to command the Army and to order its officers to any duty he might deem most expedient for the public interest. If they could withdraw an officer from the command of the President and select him for the performance of an executive duty, they might upon the same principle annex to an appropriation to carry on a war a condition requiring it not to be used for the defense of the country unless a particular person of its own selection should command the Army."

Attempting to have committees of Congress approve executive acts, or executive administrative functions, or participate in the execution of laws is not a new idea. Carried to its logical conclusion it would enable Congress, through committees or persons selected by it, gradually to take over all executive functions or at least exercise a veto power upon executive action, not by legislation withdrawing authority, but by the action of committees, or of either House acting separately from the other. On May 13, 1920, President Wilson vetoed an appropriation act on the ground that it contained a proviso that certain documents should not be printed by any executive branch or officer except with the approval of the Joint Committee on Printing. Among other things, he said:

"The Congress and the Executive should function within their respective spheres. Otherwise efficient and responsible management will be impossible and progress impeded by wasteful forces of disorganization and obstruction. The Congress has the power and the right to grant or deny an appropriation, or to enact or refuse to enact a law; but once an appropriation is made or a law is passed, the appropriation should be administered or the law executed by the executive branch of the Government. In no other way can the Government be efficiently managed and responsibility definitely fixed. The Congress has the right to confer upon its committees full authority for purposes of investigation and the accumula-

tion of information for its guidance, but I do not concede the right, and certainly not the wisdom, of the Congress endowing a committee of either House or a joint committee of both Houses with power to prescribe 'regulations' under which executive departments may operate. . . .

"I regard the provision in question as an invasion of the province of the Executive and calculated to result in unwarranted interferences in the processes of good government, producing confusion, irritation, and distrust. The proposal assumes significance as an outstanding illustration of a growing tendency which I am sure is not fully realized by the Congress itself and certainly not by the people of the country."

President Wilson then went on to call attention to other violations of the same principle and referred to the law creating the Public Buildings Commission, the membership of which included two senators and two representatives, acting ex officio—the senators appointed by the President of the Senate, and the representatives appointed by the Speaker of the House—and to the fact that, so constituted, the Commission was exercising administrative functions and that its members were performing executive acts; that members of Congress, as such, were engaged in executive functions as members of the Commission; and that the Congress under this statute was making appointments to executive offices.

In the Act of June 30, 1932, making an appropriation for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes, and with a view to economy in the operation of the Government, the Congress gave authority to the President, by executive order to consolidate, redistribute, and transfer various government agencies and functions; and established a general formula for his guidance. By section 407 it was provided that the executive order should be transmitted to the Congress in session and should not become effective until after the expiration of sixty days from such transmission and that "if either branch of Congress within such sixty calendar days shall pass a resolution disapproving of such executive order or any part thereof, such executive order shall become null and void to the extent of such disapproval." It must be assumed that the functions of the President under this Act were executive in their nature or they could not have been constitutionally conferred upon him, and so there was set up a method by which one House of Congress might disapprove executive action. No one would question the power of Congress to provide for delay in the execution of such an administrative order, or its power to withdraw the authority to make the order, provided the withdrawal takes the form of legislation. The attempt to give to either House of Congress, by action which is not legislation, power to disapprove administrative acts, raises a grave question as to the validity of the entire provision in the Act of June 30, 1932, for executive reorganization of governmental functions.

Since the organization of the Government, Presidents have felt bound to insist upon the maintenance of the executive functions unimpaired by legislative encroachment, just as the legislative branch has felt bound to resist interferences with its power by the executive. To acquiesce in legislation having a tendency to encroach upon the executive authority results in establishing dangerous precedents. The first presidential defense of the integrity of the powers of the executive under the Constitution was made by Washington himself when the House of Representatives insisted on being recognized as part of the treaty making power, and in his message then to Congress he said:

"It is essential to the due administration of the Government that the boundaries fixed by the Constitution between the different departments should be preserved;" From that day to this the Presidents, with very few exceptions, have felt the necessity for refusing to overlook encroachments upon the executive power. John Adams, Jefferson, Madison, John Quincy Adams, in succession had occasion to resist interference with the executive power. On at least six occasions President Jackson found it necessary to resist encroachment. On one occasion he said:

"I deem it an imperative duty to maintain the supremacy of that sacred instrument (the Constitution) and the immunities of the department entrusted to my care."

In 1877 President Grant vetoed an act of Congress which attempted to make the Clerk of the House of Representatives an officer to perform executive duties, on the ground that it was an encroachment upon the constitutional right of the executive branch to appoint officers of the United States. President Hayes vetoed appropriation bills containing riders attempting to interfere with the President's power as Commander-in-Chief of the Army. On June 4, 1920, President Wilson vetoed the Budget Bill which created the office of Comptroller General because it provided that the incumbent could only be removed by a joint resolution of Congress. In his message he said:

"I am convinced that the Congress is without constitutional power to limit the appointing power and its incident, the power of removal derived from the Constitution. . . . I can find in the Constitution no warrant for the exercise of this power by the Congress. . . . Regarding as I do the power of removal from office as an essential incident to the appointing power, I can not escape the conclusion that the vesting of this power of removal in the Congress is unconstitutional. . . ." A similar bill was enacted and approved in the next administration but the soundness of President Wilson's views on the constitutional question was subsequently established by the decision of the Supreme Court of the United States in *Myers v. United States*, 272 U.S. 52.

Many other instances might be referred to. An excellent historical account of these will be found in an address delivered by the Honorable Charles Warren on Presidential Declarations of Independence (Boston University Law Review, Vol-

ume X, January, 1930, Number 1). Each President has felt it his duty to pass the executive authority on to his successor, unimpaired by the adoption of dangerous precedents. You have not hesitated to act when occasion has arisen (*United States v. George Otis Smith*, 286 U.S. 6, 28 Note 3). The proviso in this deficiency bill may not be important in itself, but the principle at stake is vital. Encroachments on the executive authority are not likely to be deliberate but that very fact makes them all the more insidious. In the present instance there is no basis for suggesting that the Congress intentionally transgressed constitutional limitations. One House did not consider the point, and in the other it is not clear that any definite conclusion was reached respecting it.

During the Senate's consideration of this urgent deficiency bill, the constitutional objections to the proviso relating to tax refunds do not seem to have been mentioned. When the proviso was considered in the House, constitutional objections to it were presented in an able address by Congressman Wood whose views were supported by other members of the House, learned in constitutional law, and no serious attempt in debate appears to have been made to controvert the arguments thus advanced.

There is one other factor in the case bearing on the disposition you may make of this measure. If this bill is spread upon the statute books through receiving your approval of being passed over a veto, not only would the proviso respecting the power of the joint committee to authorize refunds be void, but the deficiency appropriation for payment of refunds would fall with it. Whenever a provision in a statute is found invalid, question arises as to whether the whole act falls or only the objectionable section. This depends on whether the unconstitutional provision is separable from the rest of the Act and in deciding that question the courts endeavor to ascertain from the terms of the Act and its subject matter whether Congress would have intended the balance of the Act to stand, without the obnoxious provision. *Dorchy v. Kansas*, 264, U.S. 286, 289. Under these principles the provision in this bill appropriating money for refund of taxes, together with the proviso respecting powers of the joint committee, are clearly separable from the rest of the Act, but not from each other. In my opinion the appropriation for tax refunds and the proviso attached to it must stand or fall together. Who can say that Congress would have made this appropriation without the proviso? I have no basis for such an assumption. If the Congress makes an appropriation attaching to it an invalid condition, we would hardly be justified in rejecting the condition as void and treating the appropriation as available. The safe course is to treat the two as inseparable.

The result is that if this bill should take the form of a statute the Secretary of the Treasury would be confronted with the fact that the appropriation for tax refunds, as well as the proviso attached to it, is void, and would not be available

for payment of refunds, with the result that if no prior appropriations are available, payment of all refunds of any amount, would stop until further appropriations for that purpose were made by the Congress. This would be unfortunate, in that it would result in delay, and injustice to taxpayers, and the accumulation of interest charges against the Government.

It affords an additional reason why this measure may well be returned to the Congress without your approval to give that body the opportunity to eliminate the proviso, or if it be dissatisfied with the existing machinery it has established by law for the making of tax refunds, to substitute some other method not open to constitutional objections.

Respectfully,

WILLIAM D. MITCHELL

Attorney General

[The President, The White House.]

457

The President's News Conference of *January 25, 1933*

THE PRESIDENT. I have nothing for quotation. I thought perhaps you might be interested in some background about some things that are looming up.

-TARIFFS, TRADE, AND CURRENCY STABILIZATION

There is no doubt that the countries of depreciated currency have begun to inundate some markets with goods. As in all economic phenomena of that kind, there is a good deal of lag in the result. These countries that went off the gold standard 14 months ago—the expectation would have been that the depreciation of their currency would have increased their shipment of goods to the United States. It has only begun to be enlarged in its volume during the last 4 or 5 months, and it is gradually accelerating in intensity until it has now produced definitely a very considerable unemployment and is doing further damage to agriculture.

We either have to be faced with an increase in tariffs, or alternatively, there will have to be stability in foreign currencies. In other

words, we will have to increase our tariffs or other countries go back on the gold standard. That means if tariffs are increased that this country joins in the same mad race of competition, of lifting tariff walls, that has been going on in Europe for the last 18 months, and that has resulted in a great reduction in the consumption of world goods and has brought about constantly depreciating price levels. The remedy may be necessary in order to make employment in the United States and to protect the farmer, but in any event the real remedy lies in stabilization of foreign currencies. That would reverse the entire tide of depreciating price levels and would get an immediate relief in the United States. As a matter of fact, if anyone could announce tomorrow that that was going to be done, price levels would immediately rise on the report of the fact.

That whole question and other questions are involved in the debt problem. Countries that haven't the capacity to pay in cash under these circumstances at least have the capacity to give some compensation to the American people in increasing world stability and contribution to world stability instead of feeding the constant degeneration in the world. Of course there are other compensations in those cases, and of course there are countries that have the capacity to pay.

But in any event, I mention this as showing the urgency of the situation with which the country is confronted. We are confronted with other difficulties in joining in world degeneration by pushing up tariff walls, greatly diminishing the consumption of goods. In other words, the world must get some stability in international life, but that question is only one segment of the very much larger issue that confronts the world.

I think the rest of the world is beginning to realize that this race of increasing tariff walls and depreciating currencies bring ruin to everybody. There is a general disposition to front the question. Of course the World Economic Conference was originally discussed between ourselves and the British—now nearly a year ago—a year ago next April, and in the very light that if stability could be had price levels could be lifted and degeneration stopped. But first one incident in the world after another has prevented convocation of that Confer-

ence, and it is to be hoped that it should be gotten on the boards just as soon as possible. That certainly is the forum on which these matters have got to be settled, but in the meantime, the American people may find themselves in considerable difficulties from the import of goods from depreciated currency countries. Those difficulties are taking place right now in increasing unemployment in a great number of places.

That is about all I have got on my mind this morning.

Q. Mr. President, that is background?

THE PRESIDENT. All background.

NOTE: President Hoover's two hundred and sixty-sixth news conference was held in the White House at 11:30 a.m. on Wednesday, January 25, 1933.

458

Veto of a Bill Authorizing Adjudication of Certain Claims of the Seminole Indians.

January 30, 1933

To the Senate:

I return herewith without approval—

Senate 4340, An Act authorizing the District Court of the United States for the Eastern District of Oklahoma to hear and determine certain claims of the Seminole Nation or Tribe of Indians.

The tract of land therein described was formerly owned by the Seminole tribe of Indians in Oklahoma. It was appraised and sold at public auction as provided by law. The full consideration was paid and title to the land has passed into the hands of a bona fide purchaser through transactions with the Government had in the utmost good faith. There is no substantial basis for thinking that Congress was without power to grant authority to the Secretary of the Interior to make the sale. There would seem to be no justification for now authorizing a committee of the tribe to bring a harassing suit against a private owner who bought and paid for this property in good faith many years ago. Moreover this legislation might prove to be a precedent

for private litigation affecting many other titles and large sums of money through other than the regular procedure. The rights of the Indians, if any, can be presented and adjudicated by the Court of Claims in the litigation pending before it under the Act of May 20, 1924.

I attach hereto a letter from the Secretary of the Interior setting forth the views of the Department on the bill.

HERBERT HOOVER

The White House,
January 30, 1933.

NOTE: The Senate tabled the bill and no further action was taken.

The message and accompanying papers are printed in Senate Document 177 (72d Cong., 2d sess.).

459

White House Statement on Appropriation Bills
for the Executive Departments.
January 30, 1933

THE APPROPRIATION BILLS for the next fiscal year for the State, Justice, Commerce, and Labor Departments—together with the independent offices bill, have now been reported out from the House Appropriations Committee. The President recommended total appropriations for these services of \$1,058,741,556, including permanent appropriations amounting to \$81,104,553 or \$977,637,003 excluding permanent appropriations. The House committee recommended \$1,106,172,818 excluding permanent appropriations or \$128,535,815 increase over the President's recommendations. To this should be added \$1,268,480 for deferments which will be required in the fiscal year making a total increase for these services of \$129,804,295.

Since the statement of January 20, which showed on the same basis net increases of about \$35 million for the Departments of Agriculture, Interior, Post Office, Treasury, and War, further action by the House on the War Department bill has modified this figure to about \$33,500,000.

The totals of the increases over the President's recommendations to date are therefore \$163,319,642 and if finally adopted by the Congress will make an increase in the estimated deficit by that amount.

NOTE: The White House also released an analysis of budget estimates which had been acted upon by the House of Representatives or its Committee on Appropriations to January 27, 1933.

460

Message of Sympathy on the Death of Frederick G. Bonfils.
February 2, 1933

I AM GRIEVED to learn of the death of your husband. Mrs. Hoover joins with me in expressing our deep sympathy.

HERBERT HOOVER

[Mrs. Frederick G. Bonfils, Denver, Colorado]

NOTE: Mr. Bonfils was publisher of the Denver Post and founder of the Sells-Floto Circus.

461

Remarks to the Interstate Conference of Legislators.
February 3, 1933

IT IS A VERY great pleasure to welcome this first Interstate Conference of Legislators to Washington. The subject of your discussions is one of the important problems before the Nation. The depression has naturally made the Nation urgently conscious of the tax burden, but the problem is much older than that. The evolution of governmental functions of municipalities, townships, counties, and States, has led to haphazard development of sources of taxation to support these functions. The result has been a perfect maze of overlapping, conflicting tax systems, with inevitable invasions by one authority of tax areas properly belonging to another authority. If your conference can help to make a scientific division of tax sources amongst the various governmental authorities, you

will have made a distinct contribution to the efficiency as well as to the economy of our whole governmental system. I warmly hope that your deliberations may produce fruitful results in this most important field.

NOTE: The President spoke at 10 a.m. to the conference, meeting at the Shoreham Hotel in Washington, D.C.

462

The President's News Conference of
February 8, 1933

THE PRESIDENT. I have nothing to say of any dramatic importance this morning. I like to see you once in a while and let you know that we're still here and functioning.

EXECUTIVE BRANCH REORGANIZATION BILL

By way of mere background, I am quite enthusiastic about this bill the Senate has passed for reorganization of the Government. I am delighted to see that they are at last going to give the President, no matter who he may be, the authority to straighten out the reorganization of the Government. After 30 years of agitation we will certainly accomplish something that will be a continuing benefit for generations to come. So no one is more pleased than I am to see ample and adequate authority given. Reorganization can now be based on logical lines. They may vary from those I proposed, but nevertheless the major objective will be attained—to save overlap and get more definite and concentrated administration with economies that come from it.

DEPRECIATED FOREIGN CURRENCIES AND IMPORTS

There is a good deal of confusion about the question of depreciated currencies going on and their effect on imports. The Secretary of Commerce is, I think, going to have a report for you sometime today giving the views of that Department on it. I think it will develop from that report that it is always difficult to visualize the forces in motion

in their proper proportions. The fact that the imports of commodities show no gross increase in itself does not mean so much when you have depreciated prices; it does mean increased quantities. In a country with decreasing consumption the maintenance of the same volume of imports means a larger proportion of goods through import channels than existed before. So in those two directions even without any increase in visible imports, it is shown by statistics that there is a fundamental and effectual increase in imports from depreciated currency countries which are affecting employment in the country and tending to bring down price levels. As a matter of fact, there are 150 import commodities where there has been actual increase in import as the result of depreciated currencies.

The question is not to be easily dismissed as not being one requiring national attention. It will continue to require attention until such time as currencies have been put on a more stable basis abroad. It is one of those economic actions that is going to give us continuous disturbance.

Other than that, I have nothing on my mind.

POST-PRESIDENTIAL PLANS

Q. Mr. President, could you tell us anything about your plans after March 4? There are stories about your going to the South Seas or around the world, et cetera.

THE PRESIDENT. I have been to the South Seas, and I have been around the world. I am not going to leave the United States except that I might go through the Panama Canal on my way home.

NOTE: President Hoover's two hundred and sixty-seventh news conference was held in the White House at 12 noon on Wednesday, February 8, 1933.

On February 7, 1933, the Senate added an amendment to the Treasury-Post Office appropriations bill, giving the President a 2-year grant of emergency power to reorganize the executive agencies of the Federal Government. As enacted, the bill (H.R. 13520), approved March 3, 1933, is Public, No. 428 (47 Stat. 1489).

463

Remarks on the Dedication of the New WCAU
Radio Building in Philadelphia, Pennsylvania.
February 10, 1933

I AM GLAD to participate in these dedication exercises. Radio broadcasting has spread its influence to every phase of mankind's endeavors and achievements. Its unique value is the possibility it provides of bringing people and nations into immediate and intimate association, permitting universal dissemination of ideas, facts, and opinions. I had the privilege of sharing in the development of radio while it was still practically in embryo, when I was Secretary of Commerce. The radio art was developed with phenomenal rapidity. Most of this development took place in the last 10 years. It illustrates the possibilities of modern life wherein science, invention, technology, and industry quickly cooperate to put at the service of mankind the full values of scientific discovery. Already radio has had a profound effect upon all our institutions—social, political, and industrial—and upon the very color of our thoughts. This important position in our daily life has been well earned, and those who have ministered so admirably to its development deserve our praise and thanks. I heartily congratulate the management of the new WCAU Building upon their enterprise in erecting this unique temple to this modern art, especially constructed for radio broadcasting purposes.

NOTE: The President spoke from the White House at 10:30 p.m., as part of a dedicatory program for the new facilities of Station WCAU. The program featured leading radio entertainers and was carried over the Columbia Broadcasting System network.

464

Message to the National Board of Review of Motion Pictures.
February 10, 1933

[Released February 10, 1933. Dated February 7, 1933]

My dear Dr. Kirchwey:

I will be obliged if you will express my cordial greetings to the Eighteenth Annual Conference of the National Board of Review of Motion Pictures, and my deep sense of their useful service in striving to maintain motion pictures upon a high plane adapted to the social needs of the community.

Yours faithfully,
HERBERT HOOVER

[Dr. George W. Kirchwey, National Board of Review of Motion Pictures, 70 Fifth Ave., New York City]

NOTE: The message was read at a luncheon meeting of the conference, held at the Hotel Pennsylvania in New York City.

465

Address at the Lincoln Day Dinner in New York City.
February 13, 1933

Mr. Chairman, members of the National Republican Club, and your guests:

I am deeply grateful for the generosity of your reception this evening. I have long had the haunting obligation to meet with you as fellow members of a quarter of a century in this association. And it is a pleasure for me to address you on the day when this club and our countrymen of all faiths throughout the land are paying tribute to the memory of Abraham Lincoln. The inspiration of his character, his service to mankind, have become heritages of the world. His invisible presence dominates the halls of action in the Capital of the Nation. His kindliness and sympathy have become the possession of every American heart.

And we tonight also pay tribute to him as founder of the Republican Party and the inspirer of its ideals. He, more than any other man, created the living, virile organization which has given responsible interpretation of these ideals to our people in each succeeding generation. The party has brought these ideals to realization in the government and the development of a great Nation. An organization which can show more than 15 millions of adherents after 70 years—an irreducible minimum in the reaction from the worst depression the world has ever seen—is indeed testimony to the virility of the principles which Lincoln enunciated.

Those principles, the fiber and the determination of the party, assure that it will be recalled to power by the American people. One of the sure guaranties that this will be so was the extraordinary support of the youth of our country during the last campaign. There has never been a time in the history of the party when it received such a large adherence of young men and young women, when they exerted themselves with such capable organization, and such devotion, and effort as they did in this last campaign. It is to them that the party looks forward. It is to their idealism, their energy, and their vitality that the Republican Party can take assured hope for the future.

The people determined this election. Those of us who believe in the most basic principle insisted upon by Abraham Lincoln—the transcendent importance of popular government—have no complaint. We accept and, as Americans, will continue wholeheartedly to do our part in promoting the well-being of our country. Our party can truly feel that we have held the faith; that we shall do so in the future is our solemn responsibility of this hour.

The Republican Party has ever been the party of constructive action. It will support the new administration in every measure which will promote public welfare. It must and will be vigilant in opposing those which are harmful.

My purpose at this time is not to speak upon divided issues, but rather to discuss matters concerning which there should be no partisanship. That leads me at once into economic questions and into the economic field. For there continues to hang over our Nation the economic cloud,

the thought of which dominates the mind of every serious person in our country. I realize that economic analyses and economic exposition are not usual afterdinner fare. But I realize more pertinent the serious purpose of this club, the seriousness of the times, the serious desire of your members to participate in the problems of national life.

Further steps toward economic recovery is the urgent problem before the entire world. Ceaseless effort must be directed to the restoration of confidence, the vanquishing of fear and of apprehension, and thus the release of the recuperative spirit of the world.

It is, therefore, my purpose to discuss some of those measures which confront us in reaching further to the roots of this tragic disturbance, particularly in the field of foreign relations. While we have many concerns in the domestic field we must realize that so long as we engage in the export and the import of goods, in financial activities abroad, so long as our citizens travel afield, then our price levels and our credit system, our employment, and above all, our fears will be greatly affected by foreign influences. We cannot isolate ourselves. During the past 2 years the crash of one foreign nation after another under direct and indirect war inheritances has dominated the whole economic life of our country.

The time has now come when nations must accept, in self-interest no less than in altruism, the obligation to cooperate in achieving world stability so mankind may again resume the march of progress. Daily it becomes more certain that the next great possible constructive step in remedy of the illimitable human suffering from this depression lies in the international field. It is in that field where the tide of prices can be most surely and quickly turned, the tragic despair of unemployment, agriculture, and business transformed into hope and into confidence.

Now economic degeneration is always a series of vicious cycles of cause and effect. Whatever the causes may be, we must grasp these cycles at some segment and deal with them. Perhaps it would add clarity to the position which I wish to make later if I should shortly follow through a cycle of financial failure which has at least in part taken place in a score of countries abroad.

Many countries, in addition to the other pressures of the depression, overburdened with debt and obligations from the World War or excessive borrowing from abroad for rehabilitation or expansion, created or added to their difficulties by unbalanced budgets with social programs and armaments, and finally reached the point where collapse in governmental credit was inevitable. Foreigners in fear of their deposits and investments in such countries withdrew. Citizens in fright exported their capital.

The result was a great movement of gold from each country followed by the immediate undermining of confidence in its currency and its credit system. Runs on its banks ensued. Restrictions were imposed upon exchange to stop the flight of capital. Barriers were erected against the import of commodities in endeavor to reduce the spending of their citizens for foreign goods and in an effort to establish an equilibrium in exchange and a retention of their gold reserves. Failure in such efforts resulted in many cases in the abandonment of gold standards followed by the currency depreciation, stagnations of industries, increase in unemployment, and further shrinkage in the consumption of goods, and again and again affecting all other nations.

These depreciated currencies gave some nations the hope to manufacture goods more cheaply than their neighbors and thus to rehabilitate their financial position by the invasion of markets of others. Those nations in turn have sought to protect themselves by erecting barriers higher and higher, until today as the result of such financial breakdown we are in the presence of an incipient outbreak of economic war in the world with the weapons of depreciated currencies, artificial barriers to trade by quotas, reciprocal trade agreements, discriminations, nationalistic campaigns to consume homemade goods, and a score of other tactics each of which may be justified for the moment, but each of which adds to the world confusion and the world dangers.

Out of the storm center of Europe this devastation has spread until, if we were to survey the world at the present moment, we find some 44 countries that have placed restrictions upon the movement of gold and exchange or are otherwise definitely off the gold standard. In practically all of them these actions have within the past 12 months

been accompanied by new restrictions upon imports in an endeavor to hold or attract gold or to give some stability to their currencies.

These depreciations in currency and the regulation of exchange and the restriction of imports originated not in offense but as defensive measures by nations to meet their own domestic financial difficulties. But a new phase is now developing amongst these nations that is rapidly degenerating into economic war which threatens to engulf the entire world. And the imperative call to the world today is to prevent that war.

Ever since the storm began in Europe, the United States has stood staunchly to the gold standard. In the present setting of depreciated currencies and in the light of differences in costs of production at home and abroad our tariffs are at this moment below those of most other countries in the world; we have held free from quotas, preferences, discriminations amongst nations. We have thereby maintained one Gibraltar of stability in the world and contributed to check the movement of chaos.

But we are now ourselves confronted with an unnatural movement of goods from lowered costs and standards of countries of depreciated currencies, which daily increase the unemployment in our land and our difficulties. We are confronted with discriminatory actions and barriers that stifle our agricultural and other markets. We will be ourselves forced to defensive action to protect ourselves unless this mad race is stopped. We must not be the major victim of it all.

Now, in all this competition of degeneration, these beginnings of economic war between scores of nations, we see a gradual shrinkage in the demand for international goods throughout the world, and a continuing fall of prices in terms of gold. From falling prices and unemployment we have at once the inability of debtors to meet obligations to their creditors, the dispossession of people from their farms and their homes and their businesses.

If the world is to secure economic peace, if it is to turn the tide of degeneration, if it is to restore the functioning of production and distribution systems of the world, it must start somewhere to break these vicious fiscal and financial cycles. I am convinced that the first point

of attack is to secure assured greater stability in the currencies of the important commercial nations. Without such stability the continued results of uncertainty, the destruction of confidence by currency fluctuations, exchange controls, and artificial import restrictions cannot be overcome but will continue to increase. With effective stability of currencies these dangers can at once be relaxed. I am not unaware that currency instability is both a cause and an effect in this vicious cycle—but we must start somewhere.

This brings me to a phase which has gradually developed during the past months, and that is the reactions and the relation of gold itself upon this situation. For independent of other causes of degeneration, I am convinced that the circumstances which surround this commodity now are contributing to drive nations to these interferences with free commerce and to other destructive artificialities.

Now, outside the minor use of gold in the arts there are two dominant purposes. First, the important commercial nations have builded their domestic currency and credit systems upon a foundation of convertibility into gold. Second, gold is the most acceptable of all commodities in international payments. Even the nations that have abandoned the gold standard must still depend upon gold for purposes of international exchange. It is true that nations must in the long run balance their international trade by goods, services, or investments, but in the intermediate ebb and flow, balances must still be settled by the use of gold.

In all the welter of discussion over these problems we find some who are maintaining that the world has outgrown the use of gold as a basis of currency and of exchange. We can all agree that gold as a commodity of universal exchange has not worked perfectly in the face of this great economic eruption. But we have to remember that it is a commodity the value of which is enshrined in human instincts for over 10,000 years. The time may come when the world can safely abandon its use altogether for these purposes, but it has not reached that point. It may be that by theoretically managed currencies some form of stability may be found a score or two years hence, but we have no time to wait. Such currencies are subject to great human fallibilities.

Sooner or later political pressure of special groups and interests will direct and dominate their use and purpose. But in any event it will take many years of demonstration to convince men that a nongold currency would certainly a year hence be worth what he paid for it today.

It is noticeable that most of the nations off of the gold standard are even today seeking to increase their gold reserves. In the view of many economists these measures and the restrictions which have been placed on the movement of gold or exchange by these two score of nations have created the same practical effect as if there was a scarcity of gold in the world at this moment. While there has been in the past few years a very large increase in the quantity of visible gold in the possession of institutions and governments the world over, the effect of all these regulatory actions by governments attempting to protect their gold reserves from runs and flights of capital, their attempts to increase their supply, have been to divide the gold of the world into a score of pockets and in many of them to freeze it from full freedom of action. In other words, this view holds that we are today not dealing with a shortage of the commodity; we are dealing with its being partially immobilized in function.

If this view proves right—and I associate myself with it—some large and important part of the steady fall in the prices of commodities is due to this particular reason, and it can only be remedied by international action.

To add to the confusion, another phenomenon of the gold situation has increased disturbance and wrought havoc. That is the effect of waves of fear and emotion. We have a parallel in nations to an unreasoning panic run upon a bank. The fears and apprehensions directed in turn to the stability of first one nation and then another have caused the withdrawal of foreign balances from that particular nation, followed by flights of capital, and through the purchases of exchange by its own citizens seeking refuge and security for their property. These movements are followed by large flows of gold to meet exchange demands, thus undermining the domestic currency and credit system of the victim nation and leading to an unnatural piling up of gold in

some nation temporarily considered safe. These movements, themselves in large degree unwarranted, have forced some nations off the gold standard that could otherwise have maintained their position. We ourselves a year ago suffered from the effect of such a violent movement. And thus a mass of gold dashing hither and yon from one nation to another, seeking maximum safety, has acted like a cannon loose on the deck of the world in a storm.

In the meantime the currencies of the world are fluctuating spasmodically. Countries off the gold standard are in reality suffering from their managed paper currencies by reason of the fact that men are unable to make contracts for the future with security, and that insecurity again dries up enterprise, business, employment, consumption of goods, and further causes reductions of price. Other nations to hold their own are attempting to compete in this destruction. And it is followed by a million of human tragedies.

Broadly, the solution lies in the reestablishment of confidence. But that confidence in the world cannot be reestablished by the abandonment of gold as the standard of the world. So far as the human race has yet developed and established its methods and systems of stable exchange, that solution can only be found now and found quickly through the reestablishment of gold standards amongst the important nations. The huge gold reserves of the world can be made to function in relation to currencies, standards of value, and exchange. And I wish to say with emphasis that I am not proposing this as a favor to the United States. It is the need of the whole world. The United States is so situated that it can protect itself better than almost any other country on the Earth.

Nor is it necessary from an international point of view that those nations who have been forced off the gold standard shall again restore their former gold values. It will suffice if it is only fixed. From this source there are principal hopes for restoring world confidence, of reversing the growing barriers to the movement of goods, making possible the security in trade which will again revive a demand for our exports. It is the solution of our farmer's difficulties. But to do all this it is necessary to have strong and courageous action on the part of the

leading commercial nations. If some sort of international financial action is necessary in order to enable the central banks of the world to cooperate for the purpose of stabilizing currencies, nations should have no hesitation in joining such an operation under proper safeguards. If some part of the debt payments to us could be set aside for temporary use for this purpose, we should not hesitate to do so. At the same time the world should endeavor to find some place for silver, at least in an enlarged subsidiary coinage.

Now if the major nations of the world will enter the road leading to the early reestablishment of the gold standard, then and then only can we begin the taking down of the abnormal barriers to trade—the quotas, preferences, discriminatory agreements, and tariffs which exceed the differences in costs of production between nations—uniform trade privileges may be restored and the threat of economic war may be averted. A reasonable period of comparative stability in the world's currencies would repay the cost of such an effort a hundred times over in the increase of consumption, in the increase of employment, in the lessening of the difficulties of debtors throughout the land, with the avoidance of these millions and millions of human tragedies. The world would quickly see a renewed movement of commerce and of goods, would have an immediate rise in prices, thereby bringing that relief to the whole economic system that is so imperative at this moment.

Now I do not underestimate the difficulties nor the vast fiscal and financial problems which lie behind the restoration of stability and economic peace. Bold action alone can succeed. The alternative to such constructive action is a condition too grave to be contemplated in any passive acceptance.

The American people will soon be at the fork of three roads. The first is the highway of cooperation amongst nations, thereby to remove the obstructions to world consumption and the rise of prices. This road leads to real stability, to the expanded standards of living, to a resumption of the march of progress by all peoples. It is today the immediate road of relief to agriculture and unemployment, not alone for us but the entire world.

The second road is to rely upon our high degree of national self-containment, to increase our tariffs, to create quotas and discriminations, and to engage in definite methods of curtailment of production of agricultural and other products and thus to secure for us a larger measure of economic isolation and freedom from vicious world influences. It would be a long road of readjustment into unknown and uncertain fields. But it may be necessary if the first way out is closed to us. Some measures may be necessary pending cooperative conclusions with other nations.

The third road is that we should inflate our currency, abandon the gold standard, and with our depreciated currency attempt to enter a world economic war, with the certainty that it leads to complete destruction, both at home and abroad.

Now the first road can only be undertaken in cooperation with all important nations. Last April, in conjunction with the leaders of Europe, our Government developed the idea of a World Economic Conference to deal with these questions. It is unfortunate that the delay of events in Europe and the election in the United States necessarily postponed the convening of that Conference. It has necessarily been further delayed by the change of administrations. It will yet be held.

The question naturally arises whether other nations will cooperate to restore world confidence, stability, and economic peace. In this connection, I trust the American people will not be misled or influenced by the ceaseless stream of foreign propaganda that cancellation of the war debts would give this international relief and remedy. That is not true. These debts are but a segment of the problem that confronts the world. Their world trade importance is hugely exaggerated. The total payments to us comprise less than one percent of the total movement of goods and services between nations in the world. In this respect I stated some months ago that the American people can well contend that most of the debtor countries have the capacity to raise these annual payments from their taxpayers, as witness the fact that in most cases the payments to us amount to less than one-third of the military expenditures of that country.

But at the same time we can well realize that in some instances the transfer of these sums gravely disturbs their currency and international exchange. But if we are asked for sacrifices because of such injury, we should have assurances of cooperation that will positively result in monetary stability and the restoration of world prosperity. If we are asked for sacrifices because of incapacity to pay, we should have tangible compensations in the restoration of at least our proportion of their agricultural and other imports. The world should have relief from the sore burden of armaments. If they are unwilling to meet us upon this field, this Nation, whether you or I like it or not, will be driven by our own internal forces more and more to its own self-containment and isolation, as harmful to the world and as little satisfactory to us as this course may be.

But that would be the counsel of despair. The full need of prosperity amongst nations cannot be builded upon mutual impoverishment. It is the interest of the world to join in bold and courageous action which will bring about economic peace—in which the benefits to the rest of the world are as great as those to us—and we should cooperate in the full. Any other course in the world today endangers civilization itself. Unless the world takes heed it will find that it has lost its standards of living and culture, not for a few years of depression but for generations.

Now, despite many discouragements, the world has shown an increasing ability in the establishment of effective agencies in the solution of many controversies which might have led to war. When we compare the attitude of nations and their ability to cooperate with each other with that which existed 20 years ago, we can say that there has been developed both the spirit and the method of cooperation in the prevention of war which gives a profound hope for the future.

In its broad light the problem before the world today is to work together to prevent the dangers of a developing economic conflict—to secure economic peace. That is a field in which the world can cooperate even more easily than in the field of the prevention of war, because there is involved in it no background of century-old controversies, injustices, or hates. The problems in the economic field contain

less of the imponderables and more of the concrete. There is involved in it the most important and appealing self-interest of every nation. Through such cooperation the world can mitigate the forces which are destroying the systems of production and distribution upon which the maintenance of these gigantic populations are today dependent. There is a driving force before the eyes of every statesman in the misery and suffering which have infected every nation. Throughout the world the people are distraught with unemployment; the decline of prices have plunged the farmers into despair, the loss of homes, of savings, and provisions of old age. And therefore, just as there is an obligation amongst nations to engage in every possible step for the prevention of war itself, there is before us today the necessity for world cooperation for the prevention of economic warfare. And who can say that the greatest act in the prevention of war is not to allay economic friction.

On our side this problem is not to be solved by partisan action but by national unity. Whatever our differences of view may be on domestic policies, the welfare of the American people rests upon solidarity before the world, not merely in resisting proposals which would weaken the United States and the world with it but solidarity in cooperation with other nations in strengthening the whole economic fabric of the world itself. These problems are not insoluble. There is a latent, earnest, and underlying purpose on the part of all nations to find their solution. Of our determination there should be no question.

The problem before the world is to restore confidence and hope by the release of the strong, natural forces of recovery which are inherent in its very civilization. Civilization is the history of surmounted difficulties. We of this world are today of the same strain as our fathers who builded this civilization. They passed through terrible conflicts. They met many great depressions. They created a state of human well-being in normal times such as the world has never seen. The next forward step is as great as any of that history. It is that we perpetuate the welfare of mankind through the immense objectives of world recovery and world peace. That is in spirit with Abraham Lincoln.

NOTE: The President spoke at the dinner sponsored by the National Republican Club which met in the Waldorf-Astoria Hotel in New York City. The address

was carried over the National Broadcasting Company and Columbia Broadcasting System radio networks.

The above text is a transcript taken from a sound recording of the address.

466

Message to President-Elect Roosevelt
About His Escape From Assassination.
February 15, 1933

TOGETHER with every citizen I rejoice that you have not been injured. I shall be grateful to you for news of Mayor Cermak's condition.

[President-elect Franklin D. Roosevelt, Miami, Fla.]

NOTE: On February 15, 1933, in Miami, Fla., President-elect Roosevelt and his party were shot at 6 times by Giuseppe Zangara, an unemployed bricklayer. President-elect Roosevelt was not injured, but several others were wounded, including Mayor Anton Cermak of Chicago, who died on March 6.

467

Message to the Federal Bar Association.
February 17, 1933

[Released February 17, 1933. Dated February 9, 1933]

My dear Mr. Vallance:

I thank you heartily for the invitation of the Federal Bar Association to attend its annual reception and dinner on Friday evening, February 17th. I regret that I shall not be able to be present. I will be obliged if you will express my cordial greetings to the Association, and my deep sense of the value of the contribution made by lawyers in the Government service to the protection of the public's interests, with courtesy and fairness to the citizen. I wish the members of the Federal Bar

[468] Feb. 18 *Public Papers of the Presidents*

Association to know of my warm appreciation of their services to the Government during my administration.

Yours faithfully,
HERBERT HOOVER

[Hon. William R. Vallance, President, The Federal Bar Association, Department of State, Washington, D.C.]

NOTE: The letter was read at the annual dinner meeting of the association, held in Washington, D.C.

468

Message to the Police Commissioner of New York City.
February 18, 1933

[Released February 18, 1933. Dated February 16, 1933]

My dear Mr. Commissioner:

I want to assure you of my grateful appreciation of the fine arrangements made by your Department for my recent visit.

The valued service rendered by the members of the force added much to the comfort of the party.

Yours faithfully,
HERBERT HOOVER

[Commissioner Edward P. Mulrooney, Police Headquarters, Center Street, New York, New York]

NOTE: President Hoover was in New York City on February 13, 1933.

469

Message to the Managing Editor
of The News-Herald of Franklin, Pennsylvania.
February 18, 1933

[Released February 18, 1933. Dated February 10, 1933]

My dear Mr. Borland:

I congratulate you heartily upon the rounding out of your fifty-fifth year of continuous newspaper experience with the journal which you founded, and I send you every good wish for many more years of equally useful accomplishment in the high-minded service of your community and the nation. Your record is indeed a just source of pride to yourself and of gratification to your neighbors.

Yours faithfully,

HERBERT HOOVER

[Mr. James B. Borland, Managing Editor, The News-Herald, Franklin, Pa.]

470

Special Message to the Congress on Pending Legislation
To Promote Economic Recovery.
February 20, 1933

To the Senate and House of Representatives:

There are certain measures looking to the promotion of economic recovery which have been under consideration by the Congress and are so advanced toward completion or understanding as to seem possible of enactment during the present session.

1. It is most necessary that the principles of the Bankruptcy Bill which has already been acted upon by the House should be passed by the Senate. The whole object of the bill is to secure orderly cooperation between creditors and debtors, whether farmers, individuals, general corporations or railroads, for mutual adjustment which will preserve the

integrity and continuous operation of business, save the values of good will and the continuation of people in their occupations and thus avoid destruction of the interest of both parties. This legislation is of the most critical importance in this period of readjustment. Incidentally such a workable system is highly necessary in order to permit a certain minority of railroads to be so reorganized as to reduce fixed charges and thus relieve the Reconstruction Finance Corporation of drains in prevention of destructive receiverships.

2. The Great Lakes-St. Lawrence Seaway Treaty should be ratified. It not only will serve a great national purpose but is of importance now also to relieve unemployment by its construction.

3. The enactment by the House of the general principles embodied in the Glass Banking Bill which has already passed the Senate will greatly contribute to reestablish confidence. It is the first constructive step to remedy the prime weakness of our whole economic life—that is organization of our credit system.

4. Authority should be given to the Reconstruction Finance Corporation to increase the amount of loans to states and municipalities for purposes of assistance to distress on the same terms as the present act. While the corporation has funds available which will last until July, it is desirable that they should be supplemented.

5. It seems clear that the domestic allotment plan is wholly unworkable. It will do far greater harm than good to agriculture.

Pending the return of the great commercial countries to the gold standard and the consequent increase in world consumption and thus rise in world prices, it is essential temporarily to reduce farm production so as to remove the backbreaking surpluses of agricultural products and thus to raise agricultural income. The plan proposed by the Secretary of Agriculture some time since for temporary leasing of marginal lands is the least harmful and the most hopeful of all the plans which have been proposed. It has the merit of direct action in reducing supply to demand and thus unquestionably increasing prices; it would affect all farm products; give equal benefits to all farmers; is free of increased bureaucracy; very much less costly; and could be covered by a manufacturers' excise tax of probably 1% to 2% upon these commodities. It

would also largely eliminate the tax and interest problems which the Congress is seeking to solve at much greater cost.

6. I earnestly recommend repeal of the procedure of the House of Representatives in publishing loans made by the Reconstruction Finance Corporation. These transactions should be open to the fullest degree to the representatives of the Congress, but their publication in the last few months has led to widespread, mostly innocent misinterpretation, vicious in effect, by depositors and alarmists who do not recognize that such borrowings represent an endeavor of the institution to provide funds needed in service to their respective communities. This publication is destroying the usefulness and effectiveness of the Reconstruction Corporation, is exaggerating fears and is introducing new elements of grave danger. It is drying up the very sources of credit. The effect of such publication is forcing payment by distressed debtors to replenish bank funds. It is causing the hoarding of currency.

7. While the Congress could not enact such a law during this session I recommend that it should institute an inquiry with view to the early expansion of the Home Loan Discount Banks into a general mortgage discount system to be owned cooperatively by banks and mortgage companies (with adequate encouragement of the special activities of Building and Loan Associations) and thus to parallel in the field of long-time credit the service of the Federal Reserve system for short-time credit. Such a system would relieve the Reconstruction Finance Corporation of many of its functions, would assist in the orderly readjustment of the present situation, and through private initiative would serve many purposes for which the Congress is striving through direct action by the government.

8. Peace would be promoted and the killing of men checked in various parts of the world today, if the Executive had the authority to join with other nations in preventing the shipment of arms to such localities. I earnestly recommend that the legislation proposed for this purpose be enacted.

HERBERT HOOVER

The White House,
February 20, 1933.

NOTE: Of the measures endorsed by the President, only one became law. The Bankruptcy Act of 1898, amendments (H.R. 14359), approved March 3, 1933, is Public, No. 420 (47 Stat. 1467).

471

Remarks Upon Laying the Cornerstone
of the National Archives Building.

February 20, 1933

THERE IS AN ESPECIAL significance in this ceremony, coming within 2 days of the celebration of George Washington's Birthday. The soil on which we are standing is part of the original tract acquired by President Washington for the Nation's Capital. The building which is rising here will house the name and record of every patriot who bore arms for our country in the Revolutionary War, as well as those of all later wars. Further, there will be aggregated here the most sacred documents of our history, the originals of the Declaration of Independence and of the Constitution of the United States. Here will be preserved all the other records that bind State to State and the hearts of all our people in an indissoluble union.

The romance of our history will have living habitation here in the writings of statesmen, soldiers, and all the others, both men and women, who have builded the great structure of our national life. This temple of our history will appropriately be one of the most beautiful buildings in America, an expression of the American soul. It will be one of the most durable, an expression of the American character.

Devoutly the Nation will pray that it may endure forever, the repository of records of yet more glorious progress in the life of our beloved country. I now lay the cornerstone of the Archives Building and dedicate it in the name of the people of the United States.

NOTE: The President spoke at approximately 2:30 p.m. in ceremonies held at the corner of 7th Street and Pennsylvania Avenue, NW., Washington, D.C.

472

Remarks Upon Laying the Cornerstone
of the Department of Justice Building.

February 23, 1933

A CHIEF GLORY of our Nation is our system of laws, made by our own freely chosen representatives and administered by judges who owe their authority to us. With us, justice rests upon the conscience and reason of the people. It can rise no higher than its source in them. That it is in the main efficient in doing justice, preserving the social order, expediting the normal processes of our daily life and restraining evil-doers, is truly a glorious achievement of a democracy.

The building that will rise upon this ground will house men and women dedicated to one of the noblest pursuits of the human mind and spirit, the preservation of the majesty of the people's law, the preservation of the people's rights against evildoers and oppressors, the amelioration of those passions which inevitably arise between rival interests and claims.

The primary reason for established government is the preservation of public peace. Law is the foundation stone of organized society. Its enforcement is the primary task of a civilization. Democracy can hope to endure only to the degree that it can find the means of enforcement of its own laws, even against the most powerfully entrenched of its own citizens. Justice in a democracy knows neither station, position, wealth, nor poverty; and justice can act only with the most efficient, honest organization of the enforcement machinery. For this, public officers and equipment are indispensable, but equally indispensable to their success are the self-discipline and cooperation of the people.

In the design of this building we should substitute for the ancient maxim, "Let justice prevail, though the heavens fall," the more modern conception of democracy, "Justice shall prevail, because that is the people's will."

I now lay the cornerstone of the Department of Justice building and dedicate it in the name of the people of the United States.

[473] Feb. 23 *Public Papers of the Presidents*

NOTE: The President spoke at approximately 2:30 p.m., in ceremonies held at the corner of 10th Street and Constitution Avenue, NW., Washington, D.C.

473

Message on the 11th Anniversary
of Radio Station WOR in New York City.
February 23, 1933

I HEARTILY congratulate the management of Station WOR upon the celebration of the eleventh anniversary of its noteworthy service in the field of radio broadcasting, so valuable in supplying the people with news, entertainment and facts useful in the formation of public opinion.

HERBERT HOOVER

[Mr. Alfred J. McCosker, 1440 Broadway, New York, N.Y.]

NOTE: The message was made public by Mr. McCosker, director and general manager of the station.

474

Message to a Testimonial Dinner
Honoring Maurice Schwartz.
February 23, 1933

[Released February 23, 1933. Dated February 20, 1933]

My dear Mr. Frohman:

I heartily share in your Committee's appreciation of Mr. Maurice Schwartz's brilliant achievements in the field of the Jewish drama. I will be obliged if you will convey to him my heartiest congratulations upon the twentieth anniversary of his work as Director of the Yiddish Art Theatre, and my every good wish for his continued success in this valuable service of the arts.

Yours faithfully,
HERBERT HOOVER

1004

[Mr. Daniel Frohman, Honorary Chairman, Maurice Schwartz Testimonial Committee, 189 Second Avenue, New York, N.Y.]

NOTE: The message was read at a testimonial dinner, held at the Hotel Edison in New York City.

475

Statement About Signing an Act on Reform
of Criminal Procedures in Federal Courts.

February 25, 1933

THE PRESIDENT said:

"I have signed with great satisfaction the bill, S. 4020, to transfer to the Supreme Court of the United States the authority to prescribe rules of practice and procedure to be followed by the lower Federal courts in criminal cases after verdict. It represents the recommendations of myself and the Attorney General over the past 4 years. It realizes, in part, a quarter of a century of demands for reform in Federal criminal procedure. It should prevent well-endowed criminals, who have been convicted by juries, from delaying punishment by years of resort to sharp technicalities of judicial procedure. It will increase the respect for law."

NOTE: As enacted, the bill (S. 4020) is Public, No. 371 (47 Stat. 904), approved February 24, 1933.

On the same day, the White House issued a text of Attorney General William D. Mitchell's letter, dated February 24, on the reform of criminal procedures in Federal courts.

476

Letter to the Chairman of the Republican National Committee
on the Role of the Republican Party.

February 27, 1933

My dear Mr. Chairman:

You have asked that I should address a few words upon questions of party organization to the Executive Committee which meets today. I first wish to take this opportunity to express my appreciation of the

loyal and effective work of your Committee and the thousands of party workers.

This work of party organization is a public duty often thankless to a degree, yet in the highest sense a public service, for organized political parties have become an absolute necessity for the functioning of popular government in so large a population as ours. Only through such organization can the people express their will. The nation would be a bedlam of wholly discordant voices without such organization, without loyalty to it. Party organization must assure cohesion in public action and upon their pledges, their principles and their ideals. A party deserves to exist only as it embodies the thought and conviction of earnest men and women who have the welfare of the nation at heart. It must be a party of ideals since only exalted purpose can bring great numbers of people together in united action. But the consummation of ideals must be organized.

You have also asked for some word on the policies to be pursued by the party.

Political parties have great obligations of service whether the party be in power or not. In these times cooperation and not partisanship is the need of the country but it is no less an obligation of the party to subject all proposals to the scrutiny of constructive debate and to oppose those which will hurt the progress and the welfare of the country.

The proposals, the principles and the ideals of the party were set out in the last campaign. They require no repetition here. They will justify themselves. Rather than to review them even in the setting of present events, I prefer to say a word as to a platform upon which all Americans can stand without partisanship.

There are certain fundamentals and safeguards of our Government which are not the property of any political party. They are the common necessity to the entire people. They embrace rigid adherence to the Constitution; enforcement of the laws without respect to persons; assurance of the credit of the Government through restraint of spending and provision of adequate revenue; preservation of the honor, and integrity of the Government in respect to its obligations, its securities and its sound currency; insistence upon the responsibilities of local govern-

ment; advancement of world peace; adequate preparedness for defense; the cure of abuses which have crept into our economic and political systems; development of security to homes and living; persistence in the initiative; equal opportunity and responsibilities of individuals and institutions; and finally every encouragement to the development of our intellectual, moral and spiritual life. In great emergencies humanity in government requires the utilization of the reserve strength of all branches of the government, whether local or national, to protect our institutions and our people from forces beyond their control. This must and can be accomplished without violation of these fundamentals and safeguards.

Upon these foundations lies the freedom, the welfare and the future of every citizen in the country. By them we will march forward. We do not claim them as the exclusive property of the Republican Party. They are the inheritance of all parties. This is a program which can command the respect and support of all who would maintain the United States in the high position amongst nations it now holds, and one from which we should not deviate in fidelity.

Yours faithfully,

HERBERT HOOVER

[Hon. Everett Sanders, Chairman, Republican National Committee, Washington, D. C.]

NOTE: The letter was read to the executive body of the Republican National Committee, meeting in Washington, D.C.

477

Letter Accepting the Resignation of J. Reuben Clark, Jr.,
as United States Ambassador to Mexico.

February 28, 1933

[Released February 28, 1933. Dated February 25, 1933]

My dear Mr. Ambassador:

I must, of course, accept your resignation as Ambassador to Mexico, to be effective at the close of business March 3rd.

I wish to take this occasion to express to you the appreciation I have for the service you have rendered our country as its Ambassador to Mexico. Never have our relations been lifted to such a high point of confidence and cooperation, and there is no more important service in the whole foreign relations of the United States than this. A large part of it is due to your efforts, and I realize it has been done at great sacrifice to yourself. The American people should be grateful to you for it.

Yours faithfully,
HERBERT HOOVER

[Hon. J. Reuben Clark, Jr., American Ambassador to Mexico, Mexico City, Mexico]

NOTE: Mr. Clark served as Under Secretary of State from August 1928 to June 1929 and as Ambassador to Mexico from 1930 until his resignation. His letter of resignation, dated February 24, 1933, and released with the President's letter, follows:

Dear Mr. President:

I have the honor herewith to tender my resignation as Ambassador Extraordinary and Plenipotentiary of the United States to Mexico. I respectfully request that the resignation be accepted to become effective at the close of business March 3, 1933.

In so tendering my resignation, I wish to express my deep gratitude for the great honor you conferred upon me by the appointment, and to thank you sincerely for the confidence and support which have been uniformly extended to me by yourself and the Secretary of State during my tenure of office.

Faithfully yours,
J. REUBEN CLARK, JR.

[The President, The White House]

478

Message to the American Braille Press.
March 1, 1933

[Released March 1, 1933. Dated February 21, 1933]

THE TENTH ANNIVERSARY of the American Braille Press is heartening evidence of the progress made in providing reading matter

for the blind, opening the windows of the world to sightless eyes, and bringing to otherwise closed minds the joy and inspirations of world thought and experience.

HERBERT HOOVER

[David Resnick, American Braille Press, Inc., 598 Madison Avenue, New York, N.Y.]

NOTE: The message was made public by William Nelson Cromwell, president and founder of the American Braille Press.

479

Message to the American War Mother Magazine.

March 2, 1933

[Released March 2, 1933. Dated February 6, 1933]

My dear Mrs. McClure:

Probably more than any other man in public life, I have had reason to know at first hand the magnificent response made by American mothers during the war period. Their courage, fortitude, energy and cooperation, were of decisive inspiration and practical helpfulness. Theirs was an indispensable service, nobly rendered, and deserving of the undying gratitude of the nation.

Yours faithfully,

HERBERT HOOVER

[Mrs. Virgil McClure, Editor, American War Mother, 133 Forest Ave., Lexington, Kentucky]

NOTE: The message was printed in the magazine's March issue.

480

Message of Sympathy on the Death
of Senator Thomas J. Walsh of Montana.

March 3, 1933

I AM PROFOUNDLY shocked to learn of the death of your distinguished husband, and Mrs. Hoover joins me in expressing our deepest sympathy with you in the tragic bereavement. Senator Walsh's public service has been so varied and so distinguished as to make his fame secure and his absence from us a grievous public loss.

NOTE: Senator Walsh served in the United States Senate from March 4, 1913, until his death on March 2, 1933. He died near Wilson, N.C., en route to Washington, D.C., to accept appointment as Attorney General in President-elect Franklin D. Roosevelt's cabinet.

As printed above, this item follows the text set forth in a contemporary news account.

481

The President's News Conference of
March 3, 1933

FAREWELL TO THE PRESS

THE PRESIDENT. I only wanted to express my appreciation to you for your cooperation in the last 4 years—many of you.

I haven't any news today. You will find plenty of news in other quarters, but I have had a pleasant association with you through a troublesome time. I want you to know that I appreciate it. We have all had difficulties, but nevertheless I have only recollections of a pleasant association with you all. I am in hopes if any of you come out to the Pacific coast, you will come and see me, and we will be able to discuss matters at more length in terms of objectivity than when we are in the midst of the battle.

I wish to thank you for the cooperation that I have had and to tell you goodbye.

1010

REPORTER. Mr. President, if I may speak for my colleagues, I would like to say that you will carry with you the best personal wishes of all of us. We have had a very pleasant association with you over these 4 years. Your responsibilities have perhaps been much greater than ours, but we have a feeling nevertheless that we were sharing that responsibility with you. We want to assure you most heartily, sir, that we wish you well and a long life.

THE PRESIDENT. Thank you very much. Goodby.

NOTE: President Hoover's two hundred and sixty-eighth news conference was held in the White House at 4 p.m. on Friday, March 3, 1933.

In these volumes the news conferences have been numbered in sequence on the basis of existing transcripts.

482

Statement on the Disapproval of a Bill
To Provide Appropriations for Executive Office
and Independent Agencies.

March 4, 1933

THE PRESIDENT said:

"The appropriation bills passed by the Congress when taking into account mere postponements to later deficiency bills show that the total appropriations for the next fiscal year were approximately \$161 million above the President's recommendations. Of this increase, \$130,900,000 is in the independent offices bill. The President is not signing this bill in order that it may be reviewed in the next session."

NOTE: Congress adjourned on March 4, 1933, resulting in a pocket veto of H.R. 14458.

On the same day, the White House issued a text of an "Analysis of Changes in the 1934 Budget Estimates Made by Congress in the Appropriation Acts so far as They Were Passed by the Congress."

Supplement I

THE LAST DAYS—FINANCIAL PANIC

The President's Journal of Events

February 9—March 4, 1933

EDITOR'S NOTE: A banking panic of acute proportions developed in the United States during the last month of the Hoover administration. As this problem unfolded, the President recorded his daily efforts and those of advisers, Federal officials, and private individuals to avert a far-reaching financial collapse. This journal is a narrative account of those efforts, with supplementary documents selected by the President, to further illuminate his descriptions of these events. The title for this item was supplied by the President, in his holograph, on the original file folder.

The original journal in the Hoover papers is typewritten which may indicate that these were dictated writings. The editors have, therefore, altered punctuation and capitalization to conform with standards consistent with the balance of this publication. Explanatory additions to the text are indicated through the use of brackets. A glossary of names of persons mentioned in the journal is printed at the conclusion of this supplement. The original text and documents are available for examination at the Herbert Hoover Presidential Library.

Thursday, February 9, 1933

Mr. Miller, President of the Reconstruction Finance Corporation, came to me and divulged the situation which had arisen in consequence of fears and apprehensions over the policies of the new administration and the consequent weakening of the whole banking situation. Detroit having long been a weak spot due to various local causes threatened to collapse under these pressures. He informed me that there were two important banking groups in Detroit—the First National group and the Guardian group. The First National had made no application to the Reconstruction Corporation but held some \$420 million of deposits, and

Supplement I

were known to have a very large amount of real estate and other slow securities. While they could normally pull through, they could not stand the shock of a failure in the other group.

The Guardian group, consisting of the Guardian Trust Company, and other holding companies, comprising some 20 banks with total deposits of \$260 million, had applied for an additional \$50 million over and above the \$15 million they had already obtained from the Corporation. They proposed to set up a mortgage company to take slow assets to the amount of about \$90 million from the Guardian Trust Company and the group of banks, and that the Corporation should loan \$65 million on this security, being \$50 million of new money.

It was plain that the present value of the securities was not more than \$35 million although by rapid recovery of the country they might realize the full \$80 million, and in any event they would over a long period liquidate at the value of probably \$50 million; that under the circumstances the RFC could not loan the amount of money which they considered necessary in order to enable them to keep going. It appeared that on further analysis the weakest member of the group was the Guardian Trust Company, which held \$20 million of deposits and whose total assets had a present value of not over \$6 million although it is earning \$1 million a year on its trust business. The other banks in the group were in fair condition and could be supported individually rather than wholesale if the Guardian Trust could be gotten out of the way. Mr. Miller explained that it was the unanimous opinion that if the Guardian Trust were closed it would create a panic which would close all the banks of the group and spread into the First National group and from there to Cleveland and other neighboring cities. He explained that upon application for the loan the Reconstruction Corporation had placed its examiners in the Guardian Trust and had the comptrollers report on the national banks in the group and they found the national banks in fair condition but the condition of the Guardian was disclosed as above. The managers claimed they had not realized this situation; they had not disclosed their position to their board of directors for fear it would become public and cause withdrawals and bring down their house of

Supplement 1

cards. Mr. Miller asked me, in the face of this national emergency, to take a hand in assembling the forces which might be of help.

At 6 o'clock, I had a meeting at the White House with Senators Couzens and Vandenberg, Secretary Mills and Mr. Miller. We disclosed to them the position of the Guardian group and the underlying causes. Senator Couzens said he was already aware of it through communications from Messrs. Couch and Jones of the Reconstruction Corporation, but that the Guardian group was Henry Ford's responsibility and that he did not propose that the Government should put up money in that situation to support Ford. He thought that Ford was bluffing and all we had to do was hold out and Ford would come to the rescue of the whole situation. They developed in the conversation that Ford had twice come to the rescue of the Guardian Trust, first by loaning \$5 million to a mortgage company they created to hold their weakest securities, the total value of which securities was not over \$1 million, so Ford had already suffered considerable loss in that quarter. On the second occasion Ford came to the rescue of the Guardian by depositing \$7,500,000 in order to allow other depositors to be paid off. It was stated that Mr. Ford had no connection with the Guardian other than his desire to help the community and that he had already found \$12,500,000. Ford sent word that he was prepared to lose all or any part of this sum already put forward or subordinate it to any preferred loans, but that he was not in position to undertake to find further large sums necessary to make up the vacuum in the Guardian.

Senator Couzens refused to, himself personally, take any financial part in it. He stated also that he did not believe the Government ought to be supporting situations of this kind which only helped the rich and contributed nothing to the poor.

I endeavored to make clear to him what the collapse would mean. I stated it was our understanding that all the people interested had exhausted their private resources and that failure here would bring about untold hardship and further unemployment. There were over 1 million depositors in the First National and Guardian groups. He refused to consider that this was the case and did not appear to take the situation seriously.

Supplement I

Senator Vandenberg evidenced great anxiety and a desire to be helpful at every point.

After the Senators had left I made the suggestion that Mr. Miller should go to Detroit, get the members of the board of the Guardian together, and call upon them to do their utmost, more especially by mobilizing additional depositors in the Guardian Trust to take the same attitude as Mr. Ford. It developed that for various reasons Mr. Miller could not leave Washington. Mr. Mills had expected to leave for Kansas City and I requested that he stay in Washington to aid in the general situation that had arisen. We determined to ask Secretaries Chapin and Ballantine to go to Detroit, Ballantine to assemble the principals and see what could be worked out. It was considered that if the Guardian Trust could be kept open until Saturday noon we would then have the balance of Saturday, Sunday, and Monday (a bank holiday) to make arrangements that would keep the institution going, but in any event it would have to close on Tuesday morning unless successful action was brought about. The Guardian Trust seemed to us to be the firstline trench and that every effort must be made to hold it.

At 9 o'clock, I called Secretary Mills, Secretary Chapin, and Under Secretary Ballantine to the White House and arranged for Chapin and Ballantine to leave at once for Detroit. We so notified Mr. Miller.

Friday, February 10, 1933

The board considered the problem and worked out a tentative plan by which it was proposed that in addition to subordination of Ford's deposits they should seek at least \$5 million in further outside money; they should pool these, and it was felt that a loan of \$6 million could be made by the Reconstruction Corporation on the assets, and this plan would apparently patch up the Guardian Trust Company. Ballantine was instructed to get together the people in Detroit, most of whom sat on the board of the Guardian, and see what effort they could make.

At 12 o'clock, Secretary Mills called to see me to explain the proposal, and we decided that I should invite Mr. Sloan, president of General Motors, and Mr. Chrysler, president of Chrysler Motors, to come to

Supplement I

Washington. I called the two gentlemen, and they promised to come for breakfast on Saturday morning.

Saturday, February 11, 1933

Mr. Sloan, Mr. Chrysler, Secretary Mills, and Mr. Miller were at breakfast at the White House. We disclosed the situation in Detroit and they expressed the greatest possible concern. Their view was that if the Guardian failed it would precipitate a situation in Detroit which had already grown dangerous, and they presented the fact that the city was practically insolvent and that they were already engaged as a committee to finance the city authorities by advance payment of taxes from the various industrial concerns, and they were endeavoring to secure sale of city bonds in New York, the whole of which services must fail instantly if the Guardian Trust went down. And incidently it was shown that the city had a deposit of \$3 million in this Trust Company, and the State \$1 million.

The result of the conversation was that they would immediately call their Detroit managers on the telephone, ask them to get in contact with Ballantine and sit in the conferences he had, and they assured their utmost cooperation. I gathered their feeling to be that Mr. Ford had already contributed as much to the situation as could properly be asked for. It was suggested that as Mr. Ford was prepared to sacrifice practically everything, that the \$1 million worth of securities which he had for his \$5 million loan, together with his deposits, might be completely subordinated and represented in stock in the Trust Company, and an additional \$5 million might be loaned by taking over other deposits together with new money, security for the \$5 million loan to be the profits of the Trust Company until paid off, plus any cats and dogs that could be found. Further bolstering of the situation to be done to the individual banks in the Guardian chain by the Reconstruction Corporation which would probably call for \$30 million or \$40 million.

It was further stated that the city was in desperate plight and that we undertake to examine whether the Reconstruction Corporation could take over further relief activities with view to relieving the city author-

Supplement I

ities and enabling them to restore the pay of policemen, firemen, and schoolteachers.

At 4 o'clock, I conferred with Secretary Mills at length on the reports Mr. Ballantine had made about the total disintegration of forces in Detroit. Ballantine seemed hopeless of getting cohesive action to support the situation.

We decided to instruct him that instead of dealing individually with different depositors and directors that they should get the important people in a room and force collective action.

Sunday, February 12, 1933

At 10 o'clock, Mr. [Wilson W.] Mills of the First National Bank telephoned me to ask my assistance in straightening out the situation, of which he had apparently just been apprised. I told him we had been at work on it for some time. He informed me that his bank with \$400 million of deposits would have to have \$200 million cash ready in case the Guardian Trust failed. I suggested that he should brace himself and call in his New York and Chicago correspondence as it would be impossible for the RFC to take so big a loan. I stated that he should also make provisions with the Federal Reserve. I further told him that I thought as he was a friend of Senator Couzens he should ring up the Senator and impress him with the situation as the criticism which the Senator had unjustly carried on, and his noncooperative spirit to save his own hometown were such that it was most discouraging to the board in taking any risks even for so gigantic a purpose as saving 1 million depositors; that he must use all his influence on the important citizens of Detroit that they should themselves take action and show their willingness to support their hometown. I suggested that he get in contact with Mr. Ford.

At 7:30, Secretary Mills and Mr. Miller came to me stating the results of the day's negotiation in Detroit had been the adherence of less than \$900,000 of deposits to subordination outside of Ford, cited the unwillingness of the automobile industry to go ahead in this effort unless Ford would join them with new money, the general disintegration that

Supplement I

made the situation seem hopeless. They asked that I should call Ford on the telephone and talk to him, urging that he should join in further effort. I called Ford and talked to him at length about the situation. He explained that he was already in for the loss of more than \$16 million in order to help this bank, that he was not in the banking business, that he was in the manufacturing business, trying to get out his new car and that the issue of this car was vital and would require all his cash resources to handle it. If he broke down the whole system would break down. I, however, urged that he do his utmost and asked if he would have a meeting with Ballantine and the others. This he agreed to do and said he would cooperate to the full extent of his power. I had Henry Robinson ring up Murphy, the head of the Murphy estate, to urge him to join as Murphy was one of the directors and had at one time been president of the Guardian Trust. Murphy complained that he was exhausted of cash and seemed to be bewildered. Mr. Robinson also called [Wilson W.] Mills, president of the First National and urged upon him the necessity of the First National coming to the assistance of these competitors in order to protect themselves.

Monday, February 13, 1933

At 9:30, I had a meeting with Chairman Pomerene of the Reconstruction Corporation. I told him that the country was degenerating, having made a strong forward move in August, September, and October, and had gone to pieces on the election; that the reason was obvious that the new administration did not have the confidence of the business world and the whole of our national activities were drying up; that lack of confidence had extended now to a rise in the hoarding of gold and currency to the highest point we had seen; that bank failures steadily increased, unemployment was increasing and no amount of legislative palliatives would do any good unless the new administration would forthwith reestablish confidence in the country by a declaration of such fundamentals as cutting Government expenses, balancing the budget, a resolute position against inflation of the currency, a resolution to handle the foreign situation with strength and purpose. I stated that I

Supplement I

feared it was unlikely that such declarations could be formulated in such fashion as to carry conviction until they were actually in power unless the Democratic leaders would help; that it was our duty to hold the situation until they came into power but that the degeneration was from causes outside our power to correct. I felt that the force of circumstances would drive him into such a course of action, perhaps after it was too late to save millions of people. In any event, it was manifestly a duty upon all of us to prevent national crises until they could come into power. In this view, I felt that while the RFC should use every possible pressure on outside groups to exert themselves to the very utmost in repair of the deficiencies of the Guardian Trust Company, nevertheless not later than 9 o'clock tonight the RFC would have to make up its mind to save the situation; that already $8\frac{1}{2}$ million depositors will be subordinated, which left $11\frac{1}{2}$ million of deposits which would need to be met in order to save the Trust Company. Whatever was gained from outside groups would ameliorate this by just that much but whatever it was I thought the RFC would have to take the responsibility of making a loan to cover it, that there were not only securities which warranted a loan of 5 or 6 million, but there was the good will of the trust business which was presumed to amount to a million a year, and that they could take security on this charge or upon these earnings, place someone in the institution to protect their interests and in the course of time the Trust Company could no doubt reorganize and capitalize this earning capacity in such fashion as to make good security and repay the money.

I called Secretary Mills and expressed the same view to him. The Chairman [Pomerene] informed me, as had Mr. [Wilson W.] Mills yesterday, that the day following our conversation with Senator Couzens, Mrs. Couzens had withdrawn her cash balance from the Guardian Trust.

In accordance with my arrangement Mr. Ford had a meeting with Secretaries Chapin and Ballantine in Dearborn. They urged upon him that he should not only subordinate his \$7,500,000 deposit with the Guardian Trust to the smaller depositors, but also that he should join in putting some further money into a pool of \$5 million, part of which would be taken by other large depositors and outside interests so that

Supplement I

with the \$6 million aid of the Reconstruction Corporation the whole situation could be cleared up and all smaller depositors and the city deposits taken care of.

The report to me by Secretaries Chapin and Ballantine indicates to me that Mr. Ford felt that after he had gone to the aid of the Guardian Trust on three separate occasions, and was not in the banking business and had no interest therein except that it had cost him from \$15 to \$18 million, that he should not be called upon for any further sacrifices; that he thought it very unfair that the large Detroit interests with whose financial operations he had nothing to do and had never been connected should be endeavoring to make him responsible for the situation into which they had gotten themselves; that if the attitude was to force him to find more money than to subordinate his deposit he would withdraw the entire offer. It appeared to me that he appreciated that Senator Couzens was trying to bluff him into putting up the entire sum. He finally gave notice that he would take no further part in endeavor to remedy the situation until real cooperation came from the banking groups themselves.

Later in the day before leaving for New York I had a conference with Secretary Mills and Governor Meyer, and they informed me that further effort to restore the original agreement of Mr. Ford of subordinating these deposits was going to be made, that Mr. [Wilson W.] Mills of the First National would see Mr. Ford and endeavor to secure his renewed interest.

On Monday evening I called Secretary Mills from New York. He reported there had been no success, that other large depositors except in amount of \$800,000, had refused to subordinate their deposits, that the industrials refused to go along unless there was assurance of such subordination of depositors, that the whole thing looked like a breakdown, and that the Governor of the State ¹ had been called in for consultation by the Detroit clearinghouse.

¹ William A. Comstock, Governor of Michigan.

Supplement I

Tuesday, February 14, 1933

It was announced that the Governor of Michigan had declared a 10-day bank holiday in order to give time for consideration of the situation. Mr. [Wilson W.] Mills of the First National called and stated that he had objected to the 10-day period and thought it better to work it out from day to day, but the banks were getting together to take care of small depositors, payrolls, etc.

I sent for Secretary Mills, Governor Meyer, and Governor Harrison of the New York Federal Reserve Bank to discuss the general situation. I pointed out that prior to the formation of the Federal Reserve System the responsibility for handling the banking situation rested primarily upon the bankers of each State. With the formation of the System it had the effect of taking a large part of the responsibility off of them; that the leadership today, as I saw it, would have to be taken by the Federal Reserve System, more especially in weak spots like Detroit where there were such animosities between the bankers that it was hopeless. Furthermore, the crisis of 1907 had been purely a currency crisis, whereas this was a treble crisis. The first being a general fright of inflation and therefore gold withdrawals both at home and abroad. The second being a currency crisis based on the general breakdown of confidence as to what was likely to come after March 4, plus the various incidents which had alarmed the people as to the stability of the banks. And the third was a crisis of depleted bank assets. That under this situation it was my view that we had to immediately return to the old clearinghouse system, but that it would need to be altered to fit the present conditions.

I proposed that the Federal Reserve Bank should appoint a central committee which would accept deposits of collateral from any Michigan bank that wanted to participate, and that under the guarantee of all the banks which participated there should be issued to the depositing banks clearinghouse certificates in the amount of the collateral which was deposited with the committee; that each depositing bank could then issue these certificates to their depositors; that inasmuch as there was a deficiency in the assets of many of the banks, the banks themselves

Supplement I

would have to front their depositors with an even distribution of such clearinghouse certificates as they could obtain upon their collateral. That is, if their free assets for deposit with the committee only amounted to 50 percent of their deposits, they would have to say to their depositors that they could only issue them 50 percent of the amount of their deposits in clearinghouse scrip.

I felt strongly that we should undertake to have this introduced at Detroit at once in order to steady and localize the fire. Meyer and Harrison strongly objected to the whole clearinghouse idea. They stated that it was an obsolete practice of pre-Federal Reserve days and would be an acknowledgment that the Federal Reserve System had failed in its functions; and they proposed to me that we should adopt the principles of the law then being discussed by the New York State Legislature for the reopening of closed banks and make it applicable to banks whether they were closed or not. The form of this law as they would like to have it passed by Congress to be that the Comptroller should have authority to value the free assets of the bank, to direct that the depositors should be written down by the amount of the deficiency, and that a certificate of obligation of the bank should be given to each depositor for the deficiency and that the profits of the bank and any realization over and above the valuation should be credited and paid on these certificates.

They stated that what was required was a rigid reorganization of all the banks of the country. They said that the law was favored by Governor Lehman of New York. It had been approved by New York banks and would pass the New York Legislature.

I stated at once that the introduction of such a bill into Congress would cause an immediate panic in the whole country; that every depositor, fearful that his bank should be devalued, would endeavor to get his money; that I could not accept it, and that I was convinced that if they would give adequate consideration they would come to the clearinghouse situation with my modification; that I felt it was imperative that it be introduced into Detroit.

They agreed to have a meeting with Henry Robinson and Adolph Miller to canvass this clearinghouse subject, but they showed no interest in it.

Supplement I

At 6 o'clock, I had a conference with Senator Joe Robinson and discussed the situation with him as to the probability of legislation and more especially a statement from the President-elect. He thought such legislation unlikely and that it most likely would be muddled up with attempts at Government guarantee of all bank deposits, to which he expressed himself as greatly opposed. He agreed with me that such national legislation as had been proposed by Meyer and Harrison might frighten the whole country into panic. He did not seem optimistic about cooperation from the President-elect.

Wednesday, February 15, 1933

Had a conference with Secretary Mills and stated to him I had no doubt that the clearinghouse plan had been used in many parts of the country as a temporary measure on previous occasions and had successfully revived communities and given banks a chance to reorganize. Obviously the whole plan would depend on the State Governor continuing technical banking holidays to prevent action by depositors in the courts. Mr. [Secretary] Mills strongly supported the idea of Federal legislation on the line of yesterday. I pointed out the great dangers of creating runs on banks by the advertisement of the debate that banks with the mere consent of a comptroller could effectively writeoff part of their deposits as lost; that while it might be of value in Detroit, it might create panic over the whole country. I told him I did not believe such legislation could be put through, that I doubted the wisdom of proposing so tremendous a measure in the last 14 days, that it could not be done except with the expressed approval of Mr. Roosevelt and congressional leaders and the very discussion of it by demagogic people in Congress would alarm the entire country. It would seem to me better to remedy the weak spots through local clearinghouse associations on the device previously discussed, that would naturally lead to readjustment of mind and ideas and those communities as to their banks and that orderly reorganization could take place where necessary. He agreed with me as to the fundamental causes and that the degeneration could

Supplement I

be stopped from spreading by statement from the President-elect. Mr. Mills undertook to discuss the matter with Senators Glass and Hull.

Secretary Mills discussed the possibilities of the legislation he had in mind—general Federal reorganization of banks—with Senator Glass. I had previously instructed him that he must not present this as either my view or that of the administration, as I was not prepared to agree to such a measure.

Senator Glass, however, informed him that there was no possibility of such legislation in the present session. The Secretary reported to me that it was necessary to return to the clearinghouse plan and I arranged to have Henry Robinson meet with Mr. Davison, Mr. Mills, Governor Meyer and Lawyer Loomis of New York to discuss the plan as worked out in California. This was done and California was telegraphed to send the whole of the prepared forms and plans by airmail to Detroit. In the meantime, the New York plan for opening closed banks by effectually writing off frozen assets through the issue of certificates with the approval of the State bank comptroller was sent to Detroit with the suggestion that it would be desirable for them to consider its enactment in Michigan where it could be applied to State banks, but it would be the act of the people in the State themselves and adapted to their own local conditions.

At my suggestion Secretary Mills saw Senator Vandenberg and suggested that he see if he could pass a simple joint resolution of Congress authorizing the Comptroller, at his own discretion, to adopt the laws of any particular State in the execution of his duties. This would enable the Comptroller if he felt it desirable, to bring the national banks into line with State banks for any concerted action such as would meet conditions in Michigan. It would thus put the responsibility upon the States and local citizens instead of opening the door of Federal action to an infinite amount of abuse and needless alarm to sections which had no need of it. Later on Secretary Mills saw Mr. Garner and reported to me that Garner thought he could put it through the House.

At 5 o'clock, former Secretary Garfield called me from Cleveland stating that the banks were in great anxiety and felt it doubtful they could get through, that it was their unanimous opinion that the Federal

Supplement I

Government should guarantee deposits in national and member banks. I told him I absolutely would refuse to entertain any such idea, that it would mean immediate transfer of deposits from State to national and member banks and would shutdown every outside bank in the country. He then wanted to know if it were possible to guarantee bank deposits as a whole. I told him this would impose a liability of \$7 billion and I would never consent to it even if Congress would pass it; that he must tell the Cleveland banks to first put their house in order, that I would not be a party to the shirking of businessmen onto the back of the Federal taxpayer.

Thursday, February 16, 1933

Former Secretary Garfield again called me from Cleveland and inquired how quickly he could get the California clearinghouse scheme, and I arranged to have copies of it dispatched to him by airplane from California and arranged to have him telephone a copy of the New York bank reopening act which they could consider in case matters reached an acute crisis. Later in the afternoon he telephoned that everything was quiet, that there had been no substantial withdrawals, and if they survived a few days, they might pull through.

At 3 o'clock, Secretary Mills and Governor Meyer called and I approved a form of joint resolution which Senator Vandenberg thought should be presented to Mr. Garner for action by the House.

Friday, February 17, 1933

The meeting in Detroit during the day did not come to anything satisfactory. There apparently was great disintegration. Proposals to establish a community bank were repelled because they were thought that Wall Street would control their future.

[On February 17, 1933, the President sent the following letter to Arch Shaw, Chairman of the President's Committee on Economic Research.]

Dear Mr. Shaw:

I have your request that I should state in writing what I said to you a few days ago as to the broad conclusions I have formed from experience of the last four

Supplement I

years as to the functioning of our economic system. It is of course impossible in the time I have left at my disposal or within the reach of a short statement, to cover all phases of the problem.

Our whole economic system naturally divides itself into production, distribution and finance. By finance I mean every phase of investment, banking and credit. And at once I may say that the major fault in the system as it stands is in the financial system.

As to production, our system of stimulated individual effort, by its creation of enterprise, development of skill and discoveries in science and invention, have resulted in production of the greatest quantity of commodities and services of the most infinite variety that were ever known in the history of man. Our production in 1924-28 for instance, in the flow of commodities, service and leisure, resulted in the highest standard of living of any group of humanity in the history of the world. Even in these years, with our machinery and equipment and labor and business organization, we could have produced more and could have enjoyed an even higher standard of living if all the adjustments of economic mechanism had been more perfect. We can say, however, without qualification, that the motivation of production based on private initiative has proved the very mother of plenty. It has faults, for humanity is not without faults. Difficulties arise from over expansion and adjustment to the march of labor saving devices but in broad result it stands in sharp contrast with the failure of the system of production, as in its great exemplar—Russia—where after 15 years of trial, in a land of as great natural resources as ours, that system has never produced in a single year an adequate supply of even the barest necessities in food, clothing for its people.

In the larger sense our system of distribution in normal times is sufficient and effective. Our transportation and communication is rapid and universal. The trades distribute the necessities of life at profits which represent a remarkably small percentage of their value. The system moves supplies of everything into remotest villages, crossroads; it feeds and clothes great cities each day with the regularity and assurance which causes never a thought or anxiety. The diffusion of commodities and services in a social sense has faults. In normal times out of our 120,000,000 people there are a few millions who conscientiously work and strive, yet do not receive that minimum of commodities and services to which they have a just right as earnest members of the community. The system does not give to them that assurance of security and living which frees them from fear for the future.

There is another fringe of a few hundred thousand who receive more than they deserve for the effort they make. But taxes are furnishing rapid correction in this quarter. The great mass of people enjoy in normal times a broader diffusion of our wealth, commodities and services than ever before in history. The enlarging

Supplement I

social sense of our people is furnishing the impulse to correction of faults. That correction is to be brought about by diffusion to constructive development within the system itself, with social vision as well as economic vision. It is not to be brought about by destruction of the system.

The last four years have shown unquestionably that it is mainly the third element of our system—that is finance—which has failed and produced by far the largest part of the demoralization of our systems of production and distribution with its thousand tragedies which wring the heart of the nation. I am not insensible to the disturbing war inheritances of our expansion of production in certain branches, nor to the effect of increased labor saving devices on employment, but these are minor notes of discord compared to that arising from failure of the financial system. This failure has been evidenced in two directions: That is the lack of organization for domestic purposes and the weakness presented by a disintegrated front to the world through which we have been infinitely more demoralized by repeated shocks from abroad.

The credit system in all its phases should be merely a lubricant to the systems of production and distribution. It is not its function to control these systems. That it should be so badly organized that the volume of currency and credit, whether long or short term, should expand and shrink irrespective of the needs of production and distribution; that its stability should be the particular creature of emotional fear or optimism; that it should be diverted from essential use in production and distribution to manipulation or speculation; that our depositaries should be insecure; that it should dominate and not be subordinate to production and distribution—all this is intolerable if we are to maintain our civilization. Yet these things have happened on a gigantic scale. We could have weathered through these failures with some losses and could have secured reorganization as we went along, planning out failures in the fundamental organization of the financial system. The rain of blows from abroad, however, on the system of such weakness has wholly prostrated us by a second phase of this depression which came from a collapse of the financial systems in Europe.

In this system I am not referring to individual banks or financial institutions. Many of them have shown distinguished courage and ability. On the contrary I am referring to the system itself which is so organized, or so lacking in organization, that it fails in its primary function of stable and steady service to the production and distribution system. In an emergency its very mechanism increases the jeopardy and paralyzes action of the community.

Clearly we must secure sound organization of our financial system as a prerequisite of the functioning of the whole economic system. The first steps in that system are sound currency, economy in government, balanced government budgets, whether national or local. The second step is an adequate separation of commercial

Supplement I

banking from investment banking, whether in mortgages, bonds or other forms of long term securities. The next step is to secure effective coordination between national and state systems. We cannot endure 49 separate regulatory systems which are both conflicting and weakening. We must accept the large view that the mismanagement, instability and bad functioning of any single institution effects the stability of some part of production and distribution and a multitude of other financial institutions. Therefore there must be cooperation within the financial system enforced by control and regulation by the Government, that will assure that this segment of our economic system does not, through faulty organization and action, bring our people again to these tragedies of unemployment and loss of homes which are today a stigma upon national life. We cannot endure that enormous sums of the people's savings shall be poured out either at home or abroad without making the promoter responsible for his every statement. We cannot endure that men will either manipulate the savings of the people so abundantly evidenced in recent exposures.

That it has been necessary for the government, through emergency action, to protect us while holding a wealth of gold for being taken off the gold standard, to erect gigantic credit institutions with the full pledge of government credit to save the nation from chaos through this failure of the financial system, that it is necessary for us to devise schemes of clearing house protections and to install such temporary devices throughout the nation, is full proof of all I have said. That is the big question. If we can solve this then we must take in hand the faults of the production and distribution systems—and many problems in the social and political system. But this financial system simply must be made to function first.

There is a phase of all this that must cause anxiety to every American. Democracy cannot survive unless it is master in its own house. The economic system cannot survive unless there are real restraints upon unbridled greed or dishonest reach for power. Greed and dishonesty are not attributes solely of our system—they are human and will infect socialism or any other ism. But if our production and distribution system are to function we must have effective restraints on manipulation, greed and dishonesty. Our Democracy has proved its ability to put its unruly occupants under control but never until their conduct has been a public scandal and a stench. For instance you will recollect my own opposition to government operation of electric power for that is a violation of the very fundamentals of our system but parallel with it I asked and preached for regulation of it to protect the public from its financial manipulation. We gained the Power Commission but Congress refused it the regulatory authority we asked. I have time and again warned, asked and urged the reorganization of the banking system. The inertia of democracy is never more marked than in promotion of what seems abstract or indirect ideas. The recent scandals are the result. Democracy always

Supplement I

lagging will no doubt now act and may act destructively to the system for it is mad. It is this lag, the failure to act in time for prevention which I fear most in the sane advancement of economic life. For an outraged people may destroy the whole economic system rather than reconstruct and control the segment which has failed in its function. I trust the new administration will recognize the difference between crime and economic functioning between constructive prevention and organization as contrasted with destruction.

During this four years I have been fighting to preserve this fundamental system of production and distribution from destruction through collapse and bad functioning of the financial system. Time can only tell if we have succeeded. Success means higher and higher standards of living, greater comfort, more opportunity for intellectual, moral and spiritual development. Failure means a new form of the Middle Ages.

If we succeed in the job of preservation certainly the next effort before the country is to reorganize the financial system so that all this will not happen again. We must organize for advance in the other directions but that is another subject.

Yours faithfully,

HERBERT HOOVER

Saturday, February 18, 1933

The general situation having risen to a point of extreme acuteness, with hoarding, gold withdrawals, and high foreign exchanges, it seems as though nothing would give us return of confidence except a statement by the new administration. I, therefore, wrote a long personal letter to Governor Roosevelt. In the meantime, I learned that Senator Glass had demanded that Governor Roosevelt should make a public statement that he would oppose any tinkering with the currency, would balance the budget, and not allow any projects which would cause overissue of Government bonds—all of which are the conditions of his accepting the Secretaryship of the Treasury.

I wrote Governor Roosevelt about the situation and sent the letter by Secret Service messenger to be delivered to his own hand Saturday evening.

[The letter to President-elect Franklin D. Roosevelt, dated February 18, 1933, follows.]

My dear Mr. President-Elect:

A most critical situation has arisen in the country of which I feel it is my duty to advise you confidentially. I am therefore taking this course of writing you myself

Supplement I

and sending it to you through the Secret Service for your hand direct as obviously its misplacement would only feed the fire and increase the dangers.

The major difficulty is the state of public mind—for there is a steadily degenerating confidence in the future which has reached the height of general alarm. I am convinced that a very early statement by you upon two or three policies of your administration would serve greatly to restore confidence and cause a resumption of the march of recovery.

The large part which fear and apprehension play in the situation can be well demonstrated by repeated experience in the past few years and the tremendous lift which has come at times by the removal of fear can be easily demonstrated.

One of the major underlying elements in the broad problem of recovery is the re-expansion of credit so critically and abruptly deflated by the shocks from Europe during the last half of 1931. The visible results were public fear, hoarding, bank failures, withdrawal of gold, flight of capital, falling prices, increased unemployment, etc. Early in 1932 we created the agencies which have steadily expanded available credit ever since that time and continue to expand it today. But confidence must run parallel with expanding credit and the instances where confidence has been injured run precisely with the lagging or halting of recovery. There are of course other factors but I am only illustrating certain high lights.

Within the last twelve months we have had two profound examples of the effect of restoration of confidence. Immediately after the passage of the measures for credit expansion act early in 1932 there was a prompt response in public confidence with expression in rising prices, employment, decrease in bank failures, hoarding, etc. even before the actual agencies were in action. This continued until it was interrupted by the aggregate of actions starting in the House of Representatives last spring again spread fear and practical panic across the country. This interruption brought back all the disastrous phenomena that I have mentioned but near the end of the session when it became clear to the country that the revenue bill would be passed, that inflation of the currency and bonus were defeated, that the government credit would be maintained, that the gold standard would be held, etc. Promptly for a second time confidence returned and ran parallel with the expansion and reconstruction measures. The country resumed the march of recovery. At once there was a rise in farm, commodity and security prices; production, industry and employment. There was a practical cessation of bank failures and hoarding, and gold returned from abroad. This continued during the summer and fall when again there began another era of interruptions to public confidence which have finally culminated in the present state of alarm and has transformed an upward movement into a distinct downward movement.

The facts about this last interruption are simple and they are pertinent to the action needed. With the election, there came the natural and inevitable hesitation

Supplement I

all along the economic line pending the demonstration of the policies of the new administration. But a number of very discouraging things have happened on top of this natural hesitation. The breakdown in balancing the budget by the House of Representatives; the proposals for inflation of the currency and the wide spread discussion of it; the publication of R.F.C. loans and the bank runs, hoarding and bank failures from this cause; increase in unemployment due to imports from depreciated currency countries; failure of the Congress to enact banking, bankruptcy and other vital legislation; unwillingness of the Congress to face reduction in expenditures; proposals to abrogate constitutional responsibility by the Congress with all the chatter about dictatorship, and other discouraging effects upon the public mind. They have now culminated to a state of alarm which is rapidly reaching the dimensions of a crisis. Hoarding has risen to a new high level; the bank structure is weakened as witness Detroit and increased failures in other localities. There are evidences of flight of capital and foreign withdrawals of gold. In other words we are confronted with precisely the same phenomena we experienced late in 1931 and again in the spring of 1932. The whole has its final expression in the increase of unemployment, suffering and general alarm.

During all this time the means of credit expansion has been available but neither borrowers nor lenders are willing to act in the initiation of business. While the financial agencies of the government can do much to stem the tide and to localize fires, and while there are institutions and situations that must be liquidated, these things can only be successfully allowed in an atmosphere of general confidence. Otherwise the fire will spread.

I therefore return to my suggestion at the beginning as to the desirability of clarifying the public mind on certain essentials which will give renewed confidence. It is obvious that as you will shortly be in position to make whatever policies you wish effective, you are the only one who can give these assurances. Both the nature of the cause of public alarm and experience give such an action the prospect of success in turning the tide. I do not refer to action on all the causes of alarm but it would steady the country greatly if there could be prompt assurance that there will be no tampering or inflation of the currency; that the budget will be unquestionably balanced even if further taxation is necessary; that the government credit will be maintained by refusal to exhaust it in issue of securities. The course you have adopted in inquiring into the problems of world stabilization are already known and helpful. It would be of further help if the leaders were advised to cease publication of R.F.C. business.

I am taking the liberty of addressing you because both of my anxiety over the situation and my confidence that from four years experience that such tides as are now running can be moderated and the processes of regeneration which are always running can be released.

Supplement I

Incidentally I will welcome the announcement of the new Secretary of the Treasury as that would enable us to direct activities to one point of action and communication with your good self.

I wish again to express my satisfaction at your escape and to wish you good health.

Yours sincerely,
HERBERT HOOVER

[President-Elect Franklin Roosevelt]

[On February 27, 1933, John S. West sent the following letter to his Chief in the Secret Service Division of the Treasury Department.]

Sir:

As instructed by you I called at the White House, Washington, D.C., about 4 o'clock p.m. on February 18, 1933—saw Mr. Lawrence Richey, secretary to the President of the United States. Mr. Richey handed me a sealed envelope and stated it was the directions of the President that same be placed in the hands of President-elect Roosevelt. Accordingly I boarded the 5 o'clock p.m. train and arrived in New York City about 10 p.m. First went to 49 East 65th St. and there learned the President-elect was attending a banquet at the Astor hotel. Then went direct to the Astor hotel and through appropriate channels placed the package or letter myself into the hands of President-elect Roosevelt and explained to him where same came from and as to my instructions. I immediately telephoned to you and advised as to the delivery. I remained in New York City over night and returned to Washington the next day—Sunday.

Respectfully,
JOHN S. WEST,
Operative.

[W. H. Moran, Chief, Secret Service Division, Washington, D.C.]

Sunday, February 19, 1933

Governor Roosevelt directed that Professor Moley should call a meeting of Mr. Woodin, Mr. McCain of the Chase National, Mr. Reynolds of the First National, Mr. Davison of the Hanover, and Mr. Stewart of the Lazard Freres to advise on the situation. They advised him exactly as I had in my letter.

Supplement I

Monday, February 20, 1933

I received a message through Mark Sullivan, apparently intended for me, from Baruch: "I am informed that Glass has been given assurances he desires." I learned later in the day that Glass did not consider the assurances sufficient and had declined to take the Treasury appointment.

Senator Reed called at 5 o'clock and stated that [Senators] Robinson and Harrison had told him that if I would declare an embargo on currency conversion and foreign shipments of gold they would secure legislation ratifying it. He informed me that Mel Traylor in executive session before their committee had stated that nothing would save the country from panic except positive assurances from Mr. Roosevelt on the three fundamentals; that it had no effect on the committee except to create panic among them. I suggested that he go back to the Democratic leaders and tell them that the first necessity was for them to secure from the President-elect the assurances already suggested. I wrote Senator Reed upon the subject.

There is no news from Detroit of any consequence of any constructive progress.

[The message from Mark Sullivan follows.]

I called Bernie Baruch on the phone. Talking about Carter Glass he said, in the following words: "I am informed that Glass had been given the assurances he desires." This information naturally could come to Baruch only from Roosevelt, and it is a fact that Baruch spent several hours with Roosevelt yesterday.

In the same connection Baruch said: I am informed that Glass will make his decision this morning.

Tuesday, February 21, 1933

Senator Glass has refused to accept the Treasuryship stating privately that the President-elect's assurances given on the critical questions of inflation, etc. were insufficient.

The Cleveland situation is getting weaker, \$5 million having been withdrawn from the Union Trust Co. on Monday.

The Detroit situation has as yet found no remedy. At the meeting this morning of the Federal Reserve Advisory Board, Mr. Robinson sug-

Supplement 1

gested that the Board pass a resolution advising the President-elect of the seriousness of the situation and requesting that he should make declarations on three points—the budget, inflation, and extravagant projects. The Advisory Board was all in favor of it and finally concluded to dispatch one of its members to see the President-elect with a memorandum from the Board. Copy of resolutions and persons present are attached.

I today requested the Attorney General to give me a ruling on my constitutional right to ask for opinions of executive officials including the Federal Reserve Board, it being my purpose to demand from them a formal opinion as to the present situation and what should be done.

I today addressed a letter to Senator Fess for him to hold in his records, stating the situation and the responsibilities therein, only to be used in case of a general debacle and an attempt of the Democratic leaders to blame the situation on the Republican administration.

I saw Secretary Mills and asked him to take up with the Federal Reserve Board that they should advise the President-elect of the seriousness of the situation and that nothing could steady the situation except his making the three declarations. I have no idea that the Board will take such action because of fear of reprisals.

Note: Secretary Mills informs me he had been advised by Governor Harrison and Mr. Davison of the Hanover Bank that no statement of the character sought would be forthcoming. This was confirmed by a statement in the Baltimore Sun.

I spoke to Mr. Henry Robinson as to the desirability of the Federal Reserve Advisory Council considering the whole broad situation with view to furnishing unprejudiced advice to the President-elect as to what course would stabilize public mind. The Council passed the resolution which is attached and deputed one member to visit the President-elect to deliver it to him.²

² Melvin A. Traylor of Chicago, Walter McLucas of Kansas City, and George Davison of New York were not present when the resolution was passed. Mr. Davison, who arrived just after the resolution was passed, approved the text and agreed to its being presented to the President-elect.

Supplement I

The members present when the resolution was passed were:

THOMAS M. STEELE, of New Haven, Conn.

GEORGE W. DAVISON, of New York City.

HOWARD A. LOEB, of Philadelphia, Pa.

H. C. McELDOWNEY, of Pittsburgh, Pa.

HOWARD BRUCE, of Baltimore, Md.

JOHN K. OTTLEY, of Atlanta, Ga.

WALTER W. SMITH, of St. Louis, Mo.

THEODORE WOLD, of Minneapolis, Minn.

JOSEPH H. FROST, of San Antonio, Tex.

HENRY M. ROBINSON, of Los Angeles, Calif.

Mr. Walter W. Smith was selected to deliver the resolution personally to the President-elect.

[Memorandum from Henry M. Robinson, Chairman of the Central Banking and Industrial Committee, dated February 23, 1933, follows.]

The attached is the resolution as passed. However, a second resolution was passed to the effect that instead of transmitting as a resolution, the President of the Federal Reserve Advisory Council should go in person and state to the President that the members of the council believed that the President-elect's statement should be made in accordance with the resolution outlined. The copy attached was furnished me by Walter Lichtenstein who acts as Secretary of the Federal Reserve Advisory Council.

H. M. R.

[The Federal Reserve Advisory Council's resolution follows.]

The Federal Advisory Council expresses the view that there is considerable unrest in the country owing to the uncertainty as to what the policy of the incoming administration is in respect (1) to the necessity of balancing the Federal budget largely by reduction in expenditures; (2) the dangers inherent in the various proposals to inflate the currency, and (3) the desirability of preventing the undue expansion of governmental credit which if continued will be a menace to the credit of the Government.

In view of this situation the Federal Advisory Council believes that the President-elect should issue a statement of his policy in reference to the above problems as promptly as possible.

[President Hoover's letter with enclosure, dated February 21, 1933, to Senator Simeon D. Fess follows.]

Supplement I

My dear Mr. Senator:

I am sending you herewith a letter for your records which, of course, should not be communicated to anyone in the present time as it would only increase the conflagration. I have no particular desire for it to be produced at all unless the Democratic leaders at some future time should endeavor to mislead the American people as to the origins of the present situation. If the President-elect and the Democratic party pursue policies of stability and remedy it need not be used as I have no desire to put forward unnecessary criticism.

Yours faithfully,

HERBERT HOOVER

[The Honorable Simeon D. Fess, United States Senate]

My dear Mr. Senator:

I am glad to respond to your request that I put in writing for your records, the statement I made to you yesterday as to the economic situation at the moment, and the causes thereof.

Today we are on the verge of financial panic and chaos. Fear for the policies of the new administration has gripped the country. People do not await events, they act. Hoarding of currency, and of gold, has risen to a point never before known; banks are suspending not only in isolated instances, but in one case an entire state. Prices have fallen since last autumn below the levels which debtors and creditors can meet. Men over large areas are unable or are refusing to pay their debts. Hundreds of millions of orders placed before election have been cancelled. Unemployment is increasing, there are evidences of the flight of capital from the United States to foreign countries, men have abandoned all sense of new enterprise and are striving to put their affairs in defense against disaster.

Some days before election the whole economic machine began to hesitate from the upward movement of last summer and fall. For some time after election it continued to hesitate but hoped for the best. As time has gone on, however, every development has stirred the fear and apprehension of the people. They have begun to realize that the abandonment of a successful program of this administration which was bringing rapid recovery last summer and fall now means and they are alarmed at possible new deal policies indicated by the current events. It is this fear that now dominates the national situation. It is not lack of resources, currency or credit.

The incidents which have produced this fear are clear. There was a delay by the President-elect of over two months in willingness to cooperate with us to bring about order from confusion in our foreign economic relations. There have been a multitude of speeches, bills, and statements of democratic members of

Supplement I

Congress and others proposing inflation or tinkering with the currency. My proposals for reduction of expenditures have been ignored to the extent of over \$200,000,000 by the Democratic House of Representatives. The differences between Democratic leaders and the President-elect over the basis of taxation with which to balance the budget caused them to reject the balancing of the budget. The publication by Democratic leaders of the House of the Reconstruction Corporation loans has caused runs on hundreds of banks, failures of many of them, and hoarding on a wide scale. There have been proposed in the Congress by Democratic leaders and publicly even by the President-elect, projects involving federal expenditure of tremendous dimensions which would obviously lie beyond the capacity of the federal government to borrow without tremendous depreciation in government securities. Such proposals as the bills to assume Federal responsibility for billions of mortgages, loans to municipalities for public works, the Tennessee improvement and Muscle Shoals, are all of this order. The proposals of Speaker Garner that constitutional government should be abandoned because the Congress, in which there will be an overwhelming majority, is unable to face reduction of expenses, has started a chatter of dictatorship. The President-elect has done nothing publicly to disavow any of these proposals.

The Democratic House has defeated a measure to increase tariffs so as to prevent invasion of goods from depreciated currency countries, thus estopping increased unemployment from this source. There have been interminable delays and threatened defeat of the Glass Banking Bill, and the Bankruptcy Bill.

How much this whole situation is the result of fear of the policies of the new administration is further indicated by a short review of the five distinct periods in recent economic history.

The first period began with the financial and monetary collapse of Europe in the last half of 1931 culminating in October, bringing contraction of credit and reduction of exports, falling prices of both commodities and securities, followed by great fear and apprehension in the people which was promptly represented by hoarding, bank failures, flight of capital, withdrawal of foreign gold balances with final interpretation in decreased employment, demoralization of agriculture and general stagnation.

The second period following the approval by Congress of our measures of reconstruction in early February 1932 was a period of sharp recovery over a period between 60 and 90 days; during this period confidence was restored, currency began to return from hoarding, gold shipments abroad were greatly lessened, bank failures practically ceased and the whole country moved upward.

The third period began in April and continued through July. This was a period of a sharp debacle which was brought about in the Democratic House by the same character of proposals we now see again, that is by the original failure

Supplement I

of the revenue bill, the failure to reduce expenditures recommended by the Executive with consequent fear that the movement toward balancing the budget would not be successful; the passage of a group of inflationary measures including the Patman Bill, the Goldsborough Bill, etc. The passage of a series of projects which would have required greater issues of government securities than the Treasury could support including the Garner Bills for gigantic public works and unlimited loans by the Reconstruction Corporation, etc. Public confidence was destroyed; hoarding, withdrawal of foreign gold, decrease in employment, falling prices and general economic demoralization took place.

The fourth period began about the adjournment of Congress when it was assured that these destructive measures were defeated and that constructive measures would be held. This period extended from July until October and was a period of even more definite march out of the depression. Employment was increasing at the rate of half a million men a month, bank failures ceased, hoarded currency was flowing back steadily and gold was returning from abroad, car loadings, commodity and security prices and all the other proofs of emergence from the depression were visible to every one. Fear and despair had again been replaced by hope and confidence.

The fifth period began shortly before election when the outcome became evident, and has lasted until today. I have already recited its events.

The causes of this terrible retrogression and fear in this *fifth* period have an exact parallel in the *third* period of last spring. The fact that there was no disavowal of the actions of last spring by the Democratic candidates during the campaign lends added color and alarm that the same actions and proposals which are now repeated in this period positively represent the policies of the new administration—and the people are seeking to protect themselves individually but with national damage. The movement forward in recovery of our people is again defeated by precisely the same factors as last spring and again emanating from the Democratic leaders.

In the interest of every man, woman and child, the President-elect has, during the past week, been urged by the saner leaders of his own party such as Senator Glass and others, by myself, and by Democratic bankers and economists whom he has called on for advice, to stop the conflagration before it becomes uncontrollable, by announcing firmly and at once that (a) the budget will be balanced even if it means increased taxation; (b) new projects will be so restricted that government bond issues will not in any way endanger stability of government finances; (c) there will be no inflation or tampering with the currency; to which some have added that as the Democratic party coming in with an overwhelming majority in both houses, there can be no excuse for abandonment of Constitutional processes.

Supplement I

The President-elect is the only man who has the power to give assurances which will stabilize public mind as he alone can execute them. Those assurances should have been given before now but must be given at once if the situation is to be greatly helped. It would allay some fear and panic whereas delay will make the situation more acute.

The present administration is devoting its days and nights to put out the fires or to localize them. I have scrupulously refrained from criticism which is well merited, but have instead been giving repeated assurances to the country of our desire to cooperate and help the new administration.

What is needed, if the country is not to drift into great grief, is the immediate and emphatic restoration of confidence in the future. The resources of the country are incalculable, the available credit is ample but lenders will not lend, and men will not borrow unless they have confidence. Instead they are withdrawing their resources and their energies. The courage and enterprise of the people still exist and only await release from fears and apprehension.

The day will come when the Democratic party will endeavor to place the responsibility for the events of this *Fifth period* on the Republican Party. When that day comes I hope you will invite the attention of the American people to the actual truth.

Yours faithfully,
HERBERT HOOVER

[Hon. Simeon D. Fess, United States Senate, Washington, D.C.]

[Memorandum from Mark Sullivan, dated February 21, 1933, follows.]

I called Bernie [Bernard M. Baruch] on the telephone in New York but found he had left for Baltimore, and I got him at the Belvedere Hotel in Baltimore just now. Incidentally he expects to be in Washington tomorrow, and I think is then going south to his place in South Carolina.

Bernie agrees that Roosevelt should make the statement; and he had already worked out in his own mind that it should be made in just the way I had in mind, namely, in the indirect form of a letter addressed to his appointee as Secretary of the Treasury.

Bernie, however, declines to make any suggestion to Roosevelt or to take any action in the matter in any way. His reasons are, first, a pride of opinion on his part which insists on a course of never offering advice to anybody unless it is asked. Second, it is apparent that Bernie thinks either that he might yet be appointed Secretary of the Treasury or else that his making any suggestion to Roosevelt might be interpreted by Roosevelt as a solicitation by Bernie to be made Secretary of the Treasury. Furthermore, it is apparent that Bernie dislikes some of the present

Supplement I

advisers now close to Roosevelt. Bernie feels that these present advisers are antagonistic to him and that they are constantly saying unpleasant things about him and trying to influence Roosevelt against him. For this reason also Bernie is determined to give no unsolicited advice in that quarter.

On this last point Bernie says that these advisers will be displaced after awhile, after Roosevelt's cabinet is appointed. Bernie says he does not have any permanent fear about Roosevelt's administration on account of the present advisers whom Bernie disapproves.

The net of it is that Bernie will not make this suggestion to Roosevelt although Bernie thinks it is a thing which should be done. Bernie really believes that Roosevelt gave Glass the assurances that Glass asked for, and Bernie thinks that Glass has been at fault in allowing a contrary impression to arise.

Wednesday, February 22, 1933

At 9:30, I discussed with Secretary Mills his proposed meeting with incoming Secretary Woodin. He is proceeding to New York tonight to meet with Governor Harrison of the Federal Reserve bank. I gave Mr. Mills my views as to matters that should be presented and wrote to him a note in confirmation. I stated to Mills that I believed that the RFC had suffered severe injury by publication of loans and the period when it could be of service was rapidly coming to an end. I felt that it should go on to protect the Michigan and the Ohio situations until March 4, but we had now arrived definitely at a period when debts must be written down including bank deposits in certain centers; that the election had reversed the tide to a state of degeneration where it could not again be recovered to pre-election position without this; that it was now the only alternative to inflation; that the failure of the President-elect to cooperate gave a new stage of the depression.

During the afternoon I wrote Senator Reed in confirmation with the conversation which I had with him. I also addressed the Federal Reserve Board asking for advice. The arrangement which we had made with the members of the Finance Committee of the Senate and with Mr. Couzens, who had introduced the resolution, was passed by the Senate without discussion.

[President Hoover's letter to Secretary of the Treasury Ogden L. Mills, dated February 22, 1933, follows.]

Supplement I

My dear Mr. Secretary,

You are about to meet Mr. Woodin to discuss with him the financial crisis which has developed since the election and the measures which must be taken to prevent its further development.

I know it is your intention to offer him every assistance. I would be glad if you would assure him also that I join in a desire to cooperate in every possible way.

The causes of this sudden critical development are simple enough. The public is filled with fear and apprehension over the policies of the new Administration. People are acting now in individual self-protection, and unless it is checked, it jeopardizes every bank deposit, every saving, every insurance policy, and the very ability of the Federal Government to pay its way. The indices of fear are hoarding and flight of capital. The drain of gold is not yet alarming, yet its wide spread is symptomatic. The hoarding of currency however has risen to enormous dimensions and cannot go on at this rate without creating panic. There is obvious flight of capital to foreign countries in progress. The weakness of the government bond market despite the support of the Federal Reserve banks is but a further symptom.

The policies of which the public are mainly alarmed are first, inflation of the currency; second, failure to balance the budget; third, prospective projects which will overtax the borrowing power of the Government. These may or may not be the policies of the new Administration, but the actions of the majority party in Congress, the measures proposed by its members, and the failure of the President-elect to disavow them, and constant assurance of reversal of administration policies serve to confirm such public beliefs. The people do not wait to see these new policies developed after the administration comes into power. They are acting in self-protection before March 4th.

The way to stem the tide is that assurances should at once be given by the new administration that they rigidly oppose such policies. They alone can execute their assurances. That is the only way to reestablish confidence. This should be made clear and it should be made clear where the responsibility will be if the crisis shall develop to extremes.

There are of course other fundamental policies needed. First, determination to settle no war debts until foreign currency is stabilized and other problems of the World Economic Conference and compensations brought to fruition; and second, such *moderate* palliatives in banking, agriculture, readjustment of debts, as will not overstrain the government and will carry the situation until the turn in the tide of prices which can come with world stability.

I trust Mr. Woodin will realize that because a Republican Administration

Supplement I

has stood staunchly for these principles and policies, it is no reason for their abandonment, for they are fundamental.

Yours faithfully,
HERBERT HOOVER

[Hon. Ogden Mills, Secretary of the Treasury, Washington, D.C.]

[President Hoover's letter to Senator David A. Reed, dated February 22, 1933, follows.]

My dear Senator,

I have now given thought to the assurance of the Democratic Senate leaders through you to me that they would undertake to secure Congressional ratification if I determined it was necessary and would first act to suspend the convertibility of currency into gold and gold shipments abroad.

The Federal Reserve figures show the following movement in millions since early October after seasonal corrections (plus [+] indicate money withdrawals [minus] — indicates returns):

	<i>Gold Coin</i>	<i>Currency</i>	<i>Total</i>	<i>Change in gold stocks</i>
October	+2	—24	—22	+70.8
November	+8	—14	—6	+75.6
December	—3	—90	—93	+173.5
January	+18	+253	+271	+37.3
February, 3 weeks.....	+24	+287	+311	—57.0

You will see therefore that the gold movements have not yet reached a dimension which requires any such revolutionary use of Executive authority. Such an act in fact would precipitate immediate panic.

These movements are however symptomatic and disturbing. Considered with the very much larger question of currency hoarding they show an alarming state of public mind. That state of mind is simple. It is the breakdown of public confidence in the new administration now coming in. The American people do not wait for a known business event; they act to protect themselves individually in advance.

The things they fear the most are inflation, an unbalanced budget, and governmental projects which will surtax the borrowing power of the Government. The way to stem the tide is that assurance should be at once given by the new administration that they have rigidly opposed such policies. That is the only way to reestablish confidence. And therefore my suggestion is that you should transmit to the Democratic leaders this fundamental necessity, that they may urge it upon the President-elect. These may or may not be the "new deal," but the actions of

Supplement I

the majority party in Congress, the measures proposed by its members, the failure of the President-elect to disavow them, and the fact that they constitute Republican policies of which there is constant promise at reversal—all serve to confirm public beliefs.

There are of course other fundamental policies needed beyond these three essentials. First, a determination that the leading nations must return to a gold basis in order to raise price levels before any concessions are given on war debts. Second, such emergency support to banking, agriculture, unemployment, and such facilitation of the readjustment of internal debts as will carry the situation until this turn in the tide of prices, and increased consumption of goods is brought about.

I realize that if these declarations be made by the President-elect, he will have ratified the whole major program of the Republican Administration; that it means the abandonment of 90% of the so-called new deal. But unless this is done, they run a grave danger of precipitating a complete financial debacle. If it is precipitated, the responsibility lies squarely with them for they have had ample warning, unless of course such a debacle is part of the "new deal."

Yours faithfully,
HERBERT HOOVER

[Senator David A. Reed, Washington, D.C.]

[President Hoover's letter to the Federal Reserve Board, dated February 22, 1933, follows.]

Gentlemen:

I wish to leave no stone unturned for constructive action during the present crisis. Without being technical in regard to the provisions of the law, it is obvious that the Federal Reserve Board has a great responsibility in the control and management of the currency. It is obvious that hoarding of currency, and to some minor extent of gold, has now risen to unprecedented dimensions, and this, together with the evidence that our own people are showing of a disposition to export their capital, has become a threat to public interest.

I should like to be advised by the Board as to whether the Board considers that the situation is one that has reached a public danger and whether the Board considers the Federal Reserve System can protect the public interest, or whether the Board considers any measures should be undertaken at this juncture and especially what, if any, further authority should be obtained.

Yours faithfully,
HERBERT HOOVER

[The Governor and Members of the Federal Reserve Board, Washington, D.C.]

Supplement I

[President Hoover gave the following memorandum, dated February 22, 1933, to Secretary Mills and Governor Meyer.]

MEMORANDUM

(Given Mills and Meyer for consideration of Federal Reserve Board.)

We now have three varieties of panic in progress in certain localities as the result of the breakdown of confidence due to causes which I do not enter into at the present moment.

1. The banking panic with runs of depositors open and silent.
2. A currency panic originating partly from the first but also from the fact that banks in many parts of the country have limited the amount of currency they will pay to depositors. The total hoarding now exceeds \$2,400,000,000.
3. A gold panic which has not yet reached serious dimensions but is steadily growing. It takes both the form of coin withdrawal and flight of capital.

The remedy now current in the country of state and local moratoriums under which a percentage of deposits is paid in currency neither serves the community with sufficient currency, nor does it restore confidence in the banks. Above all, the currency drawn out does not return to the banks in the ordinary way and we have a constant depletion of deposits and the banks are compelled to contract credit. It is impossible for people to conduct their normal business with small percentages of their bank deposits available. We thereby bring about total stagnation in business.

The whole cycle is absolutely vicious. It has only one merit—it gives a chance to reorganize banks down to their sound assets at the expense of the depositors and stock holders, but feeds the whole panic in the process. Moreover, there is no assurance of public confidence even if banks are reorganized.

The second method is to allow weak banks to close, which only feeds the fire of public alarm and creates runs on sound banks which are insupportable with any funds or currency that can be made available by government agencies.

The third method is the possibility of a definitely established clearing house system to be extended over the weak localities.

The following suggestion is made as to form:

- a. To establish such clearing houses for each federal reserve district or such part of a reserve district as the Board in that district might declare.
- b. To permit any bank in that district whether member or non-member to join in the operation.
- c. For the Federal Reserve Bank to appoint a control committee.
- d. Each bank participating to deposit collateral with the control committee against whose appraisal of the collateral clearing house scrip should be issued which would bear joint guarantee of every bank joining in the district clearing

Supplement I

house. The banks having received this scrip, then to issue it to their depositors under the protection of state laws for limited payments which are now being enacted or under Governor's holidays. It would enable the banks to issue scrip for far larger proportions of the individual deposit than are available under the present state schemes which are limited to currency.

e. It should be provided that the banks open new accounts for currency deposit which would be paid in full in currency on demand.

f. The Federal Reserve System should work out whatever is necessary for intercity clearings.

The value of this proposal is:

a. That it stops the withdrawal of currency and substitutes an ample amount of temporary scrip.

b. It would be impossible for depositors to get gold except that they present currency at the banks. It would thus tend to stifle the gold panic.

c. It would make available for business purposes in scrip a large proportion of depositors money of which there would be no depositors to hoard. The scrip would have (a) proper collateral, (b) joint guarantee of joining banks, (c) supervision by committees appointed by the Federal Reserve Bank.

d. It would not only enable business to go on but would probably stimulate business in the country.

e. It would give time for bank reorganizations and the ultimate return to normal.

f. It would avoid the necessity for further large bank drains upon the Reconstruction Finance Corporation.

Thursday, February 23, 1933

Former Secretary Garfield called me from Cleveland, speaking on behalf of the various bankers, and informed me that they had spent the previous night until 2 a.m. with the Governor,³ and sometime this morning, in an effort to persuade him to declare a short bank holiday to give opportunity for proper readjustment in Cleveland and that they had asked for legislation; that the Governor had refused, stating that it would do more injury to central and southern Ohio than it would do good in the north. Garfield informed me that the drain on the Guardian and Union Trust Companies was such that they could not remain open more than the close of today unless the Governor gave the holiday, or

³ George White, Governor of Ohio.

Supplement I

alternatively, unless the Reconstruction Corporation would loan up to 75 percent of the value of the collateral which they pledged. He asked me to take it up with the Reconstruction Corporation as it was the last hour of the clock.

I called Mr. Miller, President of the Corporation, who informed me that the Board had yesterday passed a resolution offering the Cleveland banks loans up to 75 percent of the actual value of collateral of some categories, and 90 percent of the value of others. He said that Cleveland had been advised of this. He thought the difficulty was that the Cleveland bankers were demanding they should make these loans on the face value of collateral instead of actual value as placed upon it by the Corporation's representatives. He informed me that he felt the Cleveland bankers were endeavoring to secure such an amount of money as would guarantee payment of 100 cents on the dollar to their depositors; that the Corporation could do no more than to loan against security as provided in the law.

I called Secretary Mills on the telephone in New York. He had the impression that the Cleveland bankers were trying to bluff the Corporation. In any event, the Corporation could do no more than it had offered to do and keep within the law.

I then called Garfield at Cleveland at 2 o'clock and informed him of the situation. He stated he had not been informed of the offer and was much surprised. He said he would take it up at once. My impression is that there is a deficiency in the assets of some of these banks and the directors do not feel justified in keeping the banks open for fear of giving preference to depositors; that they are trying to find someone else to blame for closing the banks. Garfield told me they were to see the Governor this afternoon to beseech the holiday. I informed Garfield my impression was that the Governor would be glad to give the holiday in the next 3 days if things were turned around at Cleveland as had been done at Detroit.

Secretary Mills informed me on the telephone that Mr. Woodin had told him that the new administration would take no responsibility at present and that he did not believe they would make any statements until after they took office on March 4. I told Mills I thought he must

Supplement I

insist on Woodin putting it up to the President-elect that he should give some reassurance to the country on the three points, and that I hoped he would leave some memoranda as to his views on the situation which would protect him as Secretary of the Treasury in the future.

At 5 o'clock, I sent for Chairman Pomerene of the Reconstruction Corporation to discuss the situation with him. I asked if he thought he could be of service in urging the President-elect to declare his position on these essential things. He did not seem to think he would have any influence but was willing to help. He expressed to me his belief that the whole situation was due to fear and apprehension of the country over these questions and that the whole situation would be stabilized at once if some such statement were made, and should prevent development into national panic.

He also informed me that he had spoken twice to the Governor of Ohio over the telephone urging him to pass legislation authorizing banks, on approval of the State bank examiner, to limit the amount of money paid to each depositor at some percentage to be determined. The Governor had informed him that the legislature was adjourning over the weekend, and he did not believe he could do anything but that he was having a meeting with the bankers tomorrow to urge them to go on until Monday when he could get action from the legislature. [Former] Senator Pomerene told me he was sending in his resignation to take effect on March 4, that he would not be able to continue with the new outlook. Having failed of confirmation, he had received no indication that his services would be further wanted. He said he was not going to shirk his responsibilities but obviously he was being out automatically.

[The President's letter to Attorney General William D. Mitchell, dated February 23, 1933, follows.]

My dear Mr. Attorney General:

I have written you today a formal note requesting that you should look into the disclosures during the past few days by the Senate Committee on Banking and Finance as to certain banking and public utility transactions. I regard the matter as of the very first importance.

I have no right to prejudge these particular men. I wish to make no public statement without more accurate information than a Senate investigation for

Supplement I

that may or may not disclose a violation of law. These men may be innocent of any technical infraction of the law but one of the most disheartening things in the whole of American life is the impression that exposures of such action must make upon the American people. I know that such conduct of our institutions is the exception, but these exceptions contribute more to the growth of Communism and Socialism in the United States than the efforts of all the followers of Karl Marx and Lenin in the world. If only part of the things brought out prove true, these men have done the American people more damage than all the incidental operations of Al Capone. Capone had the merit of confining his robbery and the infliction of physical violence to the wicked. He apparently was kind to the poor. But there is a certain affinity for if these stories are true these men are not bankers, they are banksters who rob the poor, drive the innocent to poverty and suicide and do infinite injury to those who honestly work and strive. Worse than that, they are traitors to our institutions and national ideas.

This economic system will not work unless people can have confidence in the men who direct our great institutions. To break down that confidence is to break down the whole system. Moreover the people will not understand and will be impatient with the difficulties of bringing such people into the clutches of the law.

You have, during this administration, brought many others to the bar who have defied the people, including many who have sold fraudulent securities on a large scale, but it takes time and exhaustive investigation as it did with such commonplace criminals as Capone for they are surrounded with wire entanglements of technicalities and evasion. Such actions can be and must be reached in the end if this country is to live.

However, as President, I must not publicly judge individuals until their character has been determined by the courts. Nevertheless this will indicate to you the seriousness of my feeling about it and how anxious I am that even in the few days left to us we shall not fail in our duties for upon proof that either the implications of these exposures are untrue, or that being true, these men land in jail, depends the faith of the American people in our institutions.

Yours faithfully,

HERBERT HOOVER

[The Honorable, The Attorney General, Washington, D.C.]

[The formal note referred to in the above letter, dated February 23, 1933, follows.]

My dear Mr. Attorney General:

I would be greatly obliged if you would secure copies of the testimony in the recent investigations by the Senate Banking and Currency Committee in connec-

Supplement I

tion with certain banks and utilities, and that you should at once investigate these questions in collaboration with the other Departments of the Government having jurisdiction to determine if there has been any possible infraction of the Federal laws.

Yours faithfully,
HERBERT HOOVER

[Hon. William D. Mitchell, The Attorney General, Washington, D.C.]

Friday, February 24, 1933

Secretary Mills returned from New York after his interview with Mr. Woodin. He informed me that he had sketched the situation in the country at large, citing the five weak banking points—Detroit, Chicago, Cleveland, Baltimore, and Washington; that the general weakening of the banking situation was due to the fear and apprehension as to the policies of the new administration. He pointed out that gold withdrawals had begun in Chicago and Detroit and were increasing, that the sterling exchange was being held down with difficulty owing to the great demand from Americans endeavoring to export their capital, and that as the Government had to offer a billion dollars of securities on Monday, 6th, the whole ability of the Government to finance itself was now in jeopardy; that unless the tide could be turned he had doubts as to what the nature and character of the securities were that could be issued, that the banks were full of such securities and now beginning to sell them or have provided themselves with cash. The Federal Reserve Banks had been supporting the market during the day on Thursday and long-term Government bonds were practically unsaleable.

Mills informed me that Woodin was ignorant and cheerful, that he recognized the burden he had to take over but that he was only able to see him for an hour on Wednesday evening and another hour on Thursday as he has other pressing engagements.

Secretary Mills had taken with him statements on the banks in the five weak centers hoping to interest Woodin in a study of them as indicating the weakened situation of the country, but had not been able to secure Woodin's attention to them. He had strongly urged the complete necessity of the President-elect making the reassuring statement and

Supplement I

had suggested that it could be quite naturally brought about as the result of Woodin's visit to the Governor on Sunday. Mills got very little satisfaction out of the situation and was much discouraged. He pointed out that soon after election we had invited the new administration to cooperate with us; that we had had no cooperation except over the question of dealing with the foreign economic situation where public opinion drove them into a series of actions after 2 months delay, that such attitude was unheard of in modern American history, that Mr. Woodin had expressed the idea that the new administration would take no responsibilities until the 4th of March. Mills pointed out that [Grover] Cleveland, 8 days before taking office, had made a public statement which gave them a precedent if they were looking for one. It is obvious that if the new administration had cooperated with us we could have familiarized them with the Government and the problems before it and the stability of the situation would have been maintained.

I pointed out to Mills that they could not say they were taking no responsibilities before March 4. The very moment that agreement was reached with Democratic leaders of the House for introduction of the revenue bill and I had provided in the Executive budget cuts of \$850 million in appropriations, the Democratic leaders were prepared to go ahead with this program, but on its announcement Roosevelt had assumed the responsibility by stating that he was horrified at the tax program and even after conference with Democratic leaders they had announced that they could not hope to pass a revenue bill. Later on Speaker Garner had announced that they could not hope to make the necessary reductions in Government expenses. This constitutes a taking of responsibility of the first order, destructively.

I urged upon Mills that inasmuch as Governor Harrison had telephoned that Mr. Woodin would like to see the bank statements of the five cities, that he should send them up with a covering letter in which he put on paper his advice to Woodin in this situation, and to do it in no uncertain terms. I also suggested that for his own protection, Mills should make a written report to me as to his visit with Woodin and the reactions he had obtained upon the points raised in my letter to

Supplement I

the Secretary apropos of the visit. I consider it vital that the record should be kept and kept straight.

We further discussed Government financing at some length, that the Government must raise a billion dollars and should raise a billion and a half to take care of expirations, RFC, and the current deficit, that it was essential if this enormous sum was to be placed in the present situation that they must have favorable introduction to it, that they must consist of a statement from the President-elect on the three points and that it should be followed by vigorous buying of bonds by the Federal Reserve banks to reestablish the market and confidence in the bonds, more especially was this necessary as a declaration of the Reserve banks' policy of easy money in the face of possible difficulties in the five cities.

Saturday, February 25, 1933

Early this morning Baltimore banks closed under a holiday ordered by the Governor.⁴ The trouble is the two trust companies who have had bad management and have entirely exhausted and have no resources on which to borrow from the Reconstruction Corporation, the publication of their previous loans having precipitated a run. The fear is that their closing alone would precipitate a run on all other Maryland banks.

The Reconstruction Corporation struck a snag in proposed assistance to Detroit in that one of the banks had apparently given assurances of priority in certain securities to depositors of a savings bank which they had absorbed, which same securities they now offered the Reconstruction Corporation. I requested the Attorney General to render an opinion in the case.

I was called from Detroit at 3 o'clock and told that unless the banks opened Monday morning there would be rioting and disturbance in the city as people had not been able to buy milk, checks were not acceptable, and currency had disappeared. On inquiry as to other causes of delay in setting up the new banks I find that Senator Couzens had objected to the Reconstruction Corporation loaning further money. I suggested that Chapin write a letter to Couzens setting out the situation in Detroit and reciting the consequences of his interference.

⁴ Albert C. Ritchie, Governor of Maryland.

Supplement I

Will Hays phoned me from New York stating that Roy Howard had been in Detroit and Cleveland and had expressed grave anxiety about the situation, that Howard proposed to suggest to the President-elect that he transmit to me a statement that he would back this administration in anything it saw fit to do to save the situation in the country. I told Hays to convey to Howard that we would be glad of their cooperation which we had been asking over 2 weeks, but that the difficulty was that the whole country was crumbling under the fears and apprehensions of the "new deal," that this was envisaged as in inflation and unwillingness to impose taxation sufficiently to balance the budget or reduction of expenses, the proposals of various projects of Government expenditure which would undermine credit and faith in Government issues. What was necessary to halt this situation was for the President-elect to make a declaration on these three points, and I told him we had been, with the cooperation of Democratic leaders, trying for 2 weeks to have this done and that the only reply we had been able to get was that they did not propose to take any responsibility until after March 4. I told him to inform Roy Howard that the Governor was taking responsibilities every day in spite of his stand—that he had taken the responsibility of upsetting the tax program which was agreed on with Democratic leaders; he had taken responsibility in thwarting my proposals for reduction in expenditures and in introducing fantastic farm relief program to Congress. I told him to convey my compliments to Howard and to tell him I did not believe the President-elect might never have opportunity to try out the new deal unless he was willing to declare himself for certain fundamentals of good government which were manifest, that he would be too busy trying to pry open the banks in the country, the saving of which could be done by a simple declaration of intention to maintain the honor and integrity of the United States.

I received a letter (attached) from the Federal Reserve Board side-stepping the major issues of the situation.

I today signed the Joint Resolution of Congress giving the Comptroller the authority that had been sought in cooperation with State authorities.

Supplement I

At 5 o'clock, Secretary Mills and Mr. Miller came to see me to discuss the Detroit situation generally. While they were here a message came from Mr. Rand which is attached. After discussing the situation I advised that they ask Detroit not to attempt to formulate their situation on the basis of 50 percent payment to depositors as of Monday morning, but that they formulate it at once on the basis of 25 percent. I advised that they inform Cleveland that their situation would not be supported, and they must go on the clearinghouse basis. Baltimore the same. It seems perfectly useless for the Reconstruction Corporation to be pouring money from the Treasury into the bottomless bucket of depositors' panics. It appeared that Senator Couzens had objected to the 50 percent scheme and also objected to the Reconstruction Corporation loaning the amount of money involved. This is largely political because of the protest of the country bankers against Detroit setting up 50 percent when the country banks cannot set up a similar amount. I talked with the Attorney General who believed it was a touch-and-go as to whether the securities offered could be held as against other claims. Mr. Miller said they could get enough securities to cover the 25 percent or 30 percent situation.

Senator Hull called Secretary Mills and stated that a number of them had been conferring on the question of a national guarantee of bank deposits and wanted to discuss it with him. They made an appointment for Sunday. Secretary Mills called up Governor Harrison and told him this discussion would take place, asking him to come down and bring Leffingwell and Parker Gilbert. I told Mills I had no faith in any advice coming from New York, that they had displayed their selfishness already in encouraging withdrawals into New York which had contributed to this difficulty.

Mills also had some conversation with Harrison over the question of Mitchell of the National City Bank. They have a directors meeting again tonight to consider whether they would accept his resignation which was received this afternoon. The directors were afraid they might cause reflection on the bank if they accepted it. Mills wanted to know my opinion to transmit, and I told him I thought it would increase con-

Supplement I

fidence in the whole situation if they accepted his resignation but that it would be necessary to put some outstanding man at the head instantly. He suggested Parker Gilbert.

Mr. Miller went back to the Reconstruction Corporation to call Detroit to see if they could work out the 25 percent basis, making an announcement that it was merely temporary while they reorganized the banks and made their deposits fully valuable.

Secretary Mills reported that the Reconstruction Corporation had followed my suggestion and made a positive offer to Detroit to loan them the necessary money to enable them to open two new banks with cash credit to each old depositor of 30 percent. By this means they reduced the loans of the Corporation from \$145 million to \$75 million and enabled them to get securities of which there is no challenge and placed the Detroit city banks somewhat on the same basis as the Michigan country banks under proposed State laws.

[The letter from Eugene Meyer, Governor of the Federal Reserve Board, dated February 25, 1933, follows.]

Dear Mr. President:

The Board has requested me to acknowledge the receipt of your letter of February 22, 1933 addressed to the Governor and Members of the Federal Reserve Board.

The Board has been keeping in close touch with the important changes that are taking place in the situation and the matters to which you refer have received, and are receiving, its constant attention. No definite information is available as to the amount of capital that has been exported, but, so far as the Board is advised, it appears to be a relatively small item so far. As you say, however, withdrawals of currency have reached large proportions, and gold withdrawals have increased to some extent.

While some of the recent developments are disturbing, and many proposals as to ways and means of dealing with them are being made, the Board feels it is essential in times like these that every suggestion be carefully weighed and considered from the point of view of whether, if adopted, it would accomplish the results sought, or whether it would be likely to bring even greater disturbance and make worse the situation that it is designed to correct.

Recently the Board, after giving the matter careful thought with these considerations in mind, approved the joint resolution regarding the powers of the Comptroller of the Currency introduced by Senator Couzens, which has passed the

Supplement I

Senate and which has been favorably reported by the Committee on Banking and Currency of the House. It felt that such a measure would be helpful in facilitating the working out of existing situations in various communities without creating undue disturbance. The Board also, from time to time, has expressed its views regarding other legislative proposals which would affect the exercise of its functions or the operations of the Federal reserve system, and is continually studying the various problems that are presented as the picture changes, with the view of developing concrete suggestions for appropriate action if and when the need should arise.

At the moment the Board does not desire to make any specific proposals for additional measures or authority, but it will continue to give all aspects of the situation its most careful consideration.

Respectfully yours,

EUGENE MEYER, *Governor*

[The President, The White House]

[Memorandum of February 25, 1933, from Theodore G. Joslin, Secretary to the President, transmitting telephone message from James H. Rand, Jr., president of the Remington-Rand Inc., follow.]

James Rand telephoned the following message to me at 3:49 p.m., Feb. 25, 1933, from Room 2808, Pierre Hotel, N.Y.C. (Regent 4-5901)

"Prof. Tugwell, advisor to F.R., had lunch with me. He said they were fully aware of the bank situation and that it undoubtedly would collapse within a few days, which would thus place the responsibility in the lap of President Hoover. He said we should worry about anything excepting rehabilitating the country after March 4th. Then there will be several moves: No. 1, an embargo on the exportation of yellow chips. No. 2, suspension of specie payments. No. 3, reflation, if necessary, after Nos. 1 and 2.

"After that arrangement to be made for the so-called business men's committee of sixty-odd prominent manufacturers, who have been invited to spend half a day with the new Secretary of the Treasury, Mr. Woodin, on Tuesday in an attempt to gain the support of the business interests for a program.

"My suggestion is that the collapse be not allowed to happen before March 4th. Taxpayers are all bank depositors. If banks are allowed to freeze under State legislation they will all freeze in the next two weeks. The State legislation and the bill passed today in the House inspire much greater fear and have accelerated withdrawals of gold and currency.

"The Ohio situation will break on Monday. One large Cleveland bank refused withdrawal of \$100,000 to our company today. Withdrawals throughout leading

Supplement I

cities yesterday and today were terrific. The only thing that will save the situation in the opinion of our committee is the guarantee of bank deposits for two years, effective on Monday. That is the opinion of bankers who dare tell the truth, including Melvin Traylor of Chicago.

"My suggestion, which I am conveying for the committee, is that the President send a special message to Congress today asking for this guarantee of bank deposits for two years under certain conditions of supervision by Federal Reserve Banks in their respective districts—limitation of dividends and interest and making insurance of bank deposits optional with any banks on payment of one-eighth of one percent of its deposits. If this is done the President will get the credit by all thinking citizens for having saved the day. If nothing is done and collapse happens before March 4th, it will be a calamity and will be blamed on the Administration by Republicans and Democrats alike."

T. G. JOSLIN

[The President's letter, dated February 28, 1933, to Mr. Rand, follows.]

My dear Mr. Rand:

I beg to acknowledge your telephone message received through Mr. Joslin, as follows:

"Professor Tugwell, advisor to Franklin D. Roosevelt, had lunch with me. He said they were fully aware of the bank situation and that it would undoubtedly collapse in a few days, which would place the responsibility in the lap of President Hoover. He said, we should worry about anything except rehabilitating the country after March 4th, then there would be several moves, first, an embargo on exportation of yellow chips; second, suspension of specie payments; third, reflation, if necessary after one and two, and after that arrangements would be made for the so-called business men's committee of 60 prominent manufacturers who have been invited to spend a half day with Mr. Woodin on Tuesday in an attempt to again support the business interests for a program."

I also have your suggestion that in consequence of this attitude I should at once demand of Congress a general guarantee of bank deposits.

When I consider this statement of Professor Tugwell's in connection with the recommendations we have made to the incoming administration, I can say emphatically that he breathes with infamous politics devoid of every atom of patriotism. Mr. Tugwell would project millions of people into hideous losses for a Roman holiday.

Yours faithfully,

HERBERT HOOVER

[Mr. James H. Rand, Jr., Remington-Rand Inc., 205 East 42nd Street, New York City]

Supplement I

Sunday, February 26, 1933

Chairman Miller reported that Senator Couzens had come before the Board and requested that he be given authority of the Reconstruction Corporation to go to Detroit and himself undertake to organize the situation. He objected to the plans of the Corporation. Mr. Miller asked if it was my view that they should persist in their arrangements, and I replied that it was too late to make any shifts; I felt the people in Detroit would go through and that Mr. Ford was interested in securing the set up.

I called Secretary Chapin and instructed him to telephone Detroit urging them to go through with the plan and to communicate with Mr. Ford urging the desirability of his assisting in raising the capital for the new banks as a public service, and to inform him of Senator Couzens attitude—which I felt would make for delay and further chaos.

Secretary Mills reported that Detroit was moving on the new plan and hoped to secure capital by 8 o'clock Sunday night so as to be able to open, or announce the opening, of the two new banks. At dinner Sunday night Secretary Chapin showed me Mr. Ford's announcement, offering to subscribe the entire capital providing he could select the boards, acting under the plan of the RFC. Later on, Secretary Ballantine called and we went over the announcement to be made by the two banks in Detroit covering the plan and announcement of Mr. Ford's undertaking to find the capital. With some amendments we approved the form of announcement.

During the evening Mr. Garfield called from Cleveland stating that they had all the banks agreed to reopen on Monday morning on the basis of restricted payments to depositors pending further arrangements but that one bank, the National City, was refusing to cooperate. He asked that the Comptroller should instruct them they must cooperate. Mr. Mills telephoned and informed him that the Comptroller had no authority in law to do anything of that kind but that he could say to the National City Bank that they should cooperate in every way in public interest.

Secretary Mills reported that Mr. Woodin would come to Washing-

Supplement I

ton on Monday, that he had received instructions from the President-elect that he was to take no part in any solution of the banking crisis, that they would assume no responsibility of any kind until after the 4th of March either for banking crisis or to build up the situation for March 15 government financing. (This information was given by Mr. Woodin to Mr. Leffingwell who in turn transmitted it to Secretary Mills).

Mr. Mills stated that it was necessary to have Mr. Woodin's cooperation in order that the Treasury and the Federal Reserve bank should make preparations for assuring the March 15 issue and that terms of the issue should be settled. In the ordinary course terms would be issued on March 4. Tentatively we determined that if Woodin would not cooperate in preparation of March financing, it would be impossible for us to proceed and that we would need notify them that our responsibilities ended at noon on March 4 and that they must undertake the problem of financing after that date. I suggested he should again appeal to Woodin for joint action in national crisis and offer the fullest cooperation both before and after March 4.

The report given to Secretary Mills included the statement that the new administration proposed to take over the situation at the lowest point possible and did not propose to stem the tide until they were in power. I stated this was the most infamous patriotism I had ever heard of. In other words the banking crisis should be allowed to develop when it could be stopped by a simple statement from the President-elect if made at once in accordance with the letter I had written a week ago; that another week's lost time would continue the degeneration and might bring about total collapse which could be entirely prevented by prompt action.

Tuesday, February 28, 1933

The situation has deepened very much through the passage of more State laws restricting amounts paid to depositors, each one of these laws precipitates a situation in an adjoining State, and it is only a question of time until the whole Nation will be enveloped. Under the circumstances I today addressed the President-elect as per attached letter.

Supplement I

After discussion with Governor Meyer and Secretary Mills I directed that they should ask the principal officials and advisors into a meeting at the Treasury for this evening to discuss whatever methods of national action could be placed in motion to meet the emergency.

[President Hoover's letter to President-elect Roosevelt, dated February 28, 1933, and the President-elect's response, dated March 1, 1933, follow.]

Dear Mr. President Elect—

It is my duty to inform you that the financial situation has become even more grave and the lack of confidence extended further than when I wrote to you on February 18th. I am confident that a declaration even now on the line I suggested at that time would contribute greatly to restore confidence and would save losses and hardships to millions of people.

My purpose however is to urge you—upon the basis of evident facts—that the gravity of the situation is such that it is desirable that the co-ordinate arm of the government should be in session quickly after March 4th. There is much legislation urgently needed but will not be completed by the present session. The new Congress being in majority with the administration is capable of expeditious action.

But beyond that, it would make for stability in public mind and there are contingencies in which immediate action may be absolutely essential in the next few days.

I am at your disposal to discuss the situation upon your arrival here or otherwise. I wish to assure you of the deep desire of my colleagues and myself to co-operate with you in every way.

Yours sincerely,

HERBERT HOOVER

[The President-elect, Franklin D. Roosevelt, New York]

Dear Mr. President:

I am dismayed to find that the enclosed which I wrote in N.Y. a week ago did not go to you, through an assumption by my secretary that it was only a draft of a letter.

Now I have yours of yesterday and can only tell you that I appreciate your fine spirit of co-operation and that I am in constant touch with the situation through Mr. Woodin, who is conferring with Ogden and with various people in N.Y. I am inclined to agree that a very early special session will be necessary—and by tonight or tomorrow I hope to settle on a definite time—I will let you

Supplement I

know—you doubtless know of the proposal to give authority to the Treasury to deposit funds directly in any bank.

I get to Washington late tomorrow night and will look forward to seeing you on Friday.

Sincerely yours,

FRANKLIN D. ROOSEVELT

[The President, The White House]

[President-elect Roosevelt referred to an enclosed letter, dated February 20, 1933, which follows.]

Dear Mr. President:

I am equally concerned with you in regard to the gravity of the present banking situation—but my thought is that it is so very deep-seated that the fire is bound to spread in spite of anything that is done by way of mere statements. The real trouble is that on present values very few financial institutions anywhere in the country are actually able to pay off their deposits in full, and the knowledge of this fact is widely held. Bankers with the narrower viewpoint have urged me to make a general statement but even they seriously doubt if it would have a definite effect.

I had hoped to have Senator Glass' acceptance of the Treasury post—but he has definitely said no this afternoon—I am asking Mr. Woodin tomorrow—if he accepts I propose to announce it tomorrow together with Senator Hull for the State Department. These announcements *may* have some effect on the banking situation, but frankly I doubt if anything short of a fairly general withdrawal of deposits can be prevented now.

In any event Mr. Woodin, if he accepts will get into immediate touch with Mills and the bankers.

Very sincerely yours,

FRANKLIN D. ROOSEVELT

[The President, The White House]

[President Hoover's letter to the Federal Reserve Board, dated February 28, 1933, follows.]

Gentlemen:

Since my letter of a few days ago the banking situation has obviously become one of even greater gravity. I naturally wish to be properly advised as to such measures as can be taken to prevent the hardships to millions of people which are now going on. Although the Board is not the technical advisor of the President, yet it appears to me that in the large sense it should be prepared to advise me as to measures

Supplement I

necessary for the protection of the banking and currency system in times of emergency. I would, therefore, be glad to know whether the Board considers it desirable:

- (a) To establish some form of Federal guarantee of banking deposits; or
- (b) To establish clearing house systems in the affected areas; or
- (c) To allow the situation to drift along under the sporadic state and community solutions now in progress.

Yours faithfully,
HERBERT HOOVER

[To the Governor and Members of the Federal Reserve Board]

[Letter from Mark Sullivan, dated February 28, 1933, follows.]

Dear Mr. President:

Carl Snyder says that according to a computation just being checked up, there are in the United States fifty million savings accounts—one for every 2 inhabitants. This sounds improbable but Snyder says there is no doubt about it. The average account is just under \$500. This is a total of roughly twenty-five billion dollars of savings. This is more than one-half of the total deposits of all kinds in all banks.

As I told you over the phone, Snyder's notion is that all accounts under a thousand dollars be guaranteed by the federal government—that is, that every account be guaranteed up to a thousand dollars. This guaranty would give assurance about every savings account.

MARK SULLIVAN

P.S. I transmit this but I do not myself favor guarantee by the federal government of bank deposits except as an incident of other far-reaching changes in the banking system.

Wednesday, March 1, 1933

In the morning had a meeting with Secretary Mills, Secretary Ballantine, and Governor Meyer. They stated that they had been unable to agree upon any plan for national action. It was decided that Mr. Woodin should be called up and asked if he would call his advisors together in consultation as to measures that should be taken before adjournment of Congress to protect the country. I suggested that Messrs. Mills and Meyer should go to New York to see him. It was agreed that we should again offer the full cooperation of the administration to any reasonable

Supplement I

measures they proposed should be presented to Congress to meet the banking situation; that it was impossible to take any such action without their open and public approval and that we must make it clear that if no action is to be taken, it is at their request. It is now too late to stop the panic through any statement by the President-elect.

I again urged action in setting up clearinghouse scrip in the weak spots at once, but Meyer again opposed it. He seemed totally at sea.

Gathering up the different suggestions that had been made, I tried to see whether a bank guarantee scheme could be developed on paper that would not break the Government, and developed a new idea in discriminating between "active" and "inactive" deposits.

Mr. Woodin replied to messages sent to him that he would be glad to see Secretary Mills tonight and would bring one or two advisors with him. It is stated that the President-elect contends he has no responsibility until after March 4 and does not propose to take any. He has indicated that the worse the situation becomes in the country, the more evident will be the failure of the Republican administration and the more necessary the measures he proposes to take. In other words, rather than stop the panic and save millions in losses he prefers to have a Roman holiday.

I asked Secretary Ballantine to come over and discuss with me the banking situation as to whether or not I should go to Congress on Thursday morning with some definite plan of relief. Due to the action taken by the States they had created a situation which could not be demobilized except through Federal action. They had given protection to every weak bank, put every bad banker in the storm cellar, and the banks thus would be unwilling to agree on any cohesive action to untie the knot.

I stated it was my impression that of the four alternative courses by which first, the Federal Government would print money and by sheer inflation make deposits in banks, which seems to be in the Democratic mind; or second, reorganization and reopening of banks on the basis of segregation of their prime assets and crediting depositors with that much value, with some kind of deferred certificate for the balance of their money; or third, a Government guarantee of segregated active account for the depositors; or fourth, a systematic creation of clearing-

Supplement I

house scrip with Federal Reserve assistance under 10B; that the latter was preferable.

I had again worked over the guarantee proposal so as to test its possibility to reduce the liabilities to the Government. We called up Mills who was in a meeting with Woodin, Harrison, Meyer, Professor Moley, George Davison in New York, and asked if he did not think it advisable to broach to them that we must have a definite plan and propose immediate action, but this action to be a joint action of the two administrations with no attempt to show a domination of one over the other, the responsibility on either one for the proposal. Secretary Mills replied that they could not agree in the meeting on any proposal, as Woodin had instructions not to agree to anything. I described the guarantee plan with limitations. He himself said he could not bring himself to favor a guarantee even in the new and safer form. We arranged for Mills to come to breakfast the next morning with Ballantine present.

PLAN FOR GOVERNMENT GUARANTEE OF BANK DEPOSITS

First Try

1. Banks to join the plan voluntarily.
2. For purposes of the plan, deposits in joining banks are to be divided into two categories—"active deposits" and "inactive deposits".
3. The "active deposits" to be 75% credit of his deposit to the active account of each depositor, *and such further deposits as he may make from time to time*. The active deposits to be a first charge upon all assets of the bank *including* stockholders liability.
4. The "inactive deposits" of 25% to be subordinated entirely to the active deposits and not to be available to depositors as long as the guarantee is outstanding.
5. The government to guarantee the whole of the "active deposits".
6. Banks to pay into a common fund 1% (?) per annum of the average of their active deposits for reimbursement of losses to the government.
7. New loans made by the banks to be solely for such commercial production and distribution purposes as may be generally regulated by the Comptroller.
8. Any currency required to meet depositors demands upon "active deposits" beyond that which the bank can itself supply in the ordinary course of business to be furnished to the bank through sale to them of federal government bonds in such amounts as the banks may require up to the amount of the active deposits. The payment of these bonds to be a charge upon the assets of the bank and the bank to be authorized to issue currency against such bonds.

Supplement I

9. No dividends to be paid by the banks joining in the plan and no payments to be made on "inactive accounts" during the period of the guarantee.

10. Banks may come out from under the guarantee at any time with the consent of their depositors on "active accounts" but in any event in five years.

VARIATIONS

No. 1. The amount of "active accounts" can be reduced from 75% to any stage down to 50%, thus giving greater security to the government and more inducement to the bank to get out from under the guarantee. On the other hand the larger the percent in "active accounts" the less the contraction in business and credit and the greater the public confidence.

No. 2. The Comptroller to value the assets and declare upon such valuation the amount which can be opened as "active accounts". This would probably prevent any losses. Good banks would be able to make their "active deposits" 100% bad banks perhaps as low as 10%. In any event they would all keep going.

Second Try

1. Banks to join the plan voluntarily.
2. For purposes of the plan, deposits in the joining banks are to be divided into two categories, that is "active deposits" and "inactive deposits".
3. The "active deposits" to be
 - a. New deposits made in a bank.
 - b. 80% of the existing deposits of any depositor.
4. The "active deposits" to be a first charge of all assets of the bank including stockholders liabilities. "Inactive deposits" to be subordinated entirely to the "active deposits" and not be available to depositors so long as the guarantee is outstanding.
5. The government to guarantee 100% of the "active deposits".
6. The percentage of credit to the individual "active depositor" may be increased if on examination of the assets of the bank such assets prove to be more than 50%, but no such increase to exceed more than 75% of the value of existing assets.
7. The banks to pay into a common fund one-half of one percent of the average of their "active deposits" for the reimbursement of losses to the government.
8. No dividends to be paid by the banks joining in the plan and no payments to be made on "inactive accounts" during the period of the guarantee. New loans made by the banks to be of such character as may be determined by general regulations to be issued by the Comptroller. Such regulations to exclude speculative use.
9. Banks may come out from under the guarantee at any time with the consent

Supplement I

of 75% of the deposits on "active account" but in any event the guarantee ends in 5 years.

10. Any currency required to meet depositors demands upon "active deposits" beyond that which the bank can itself supply in the ordinary course of business is to be furnished to the bank through delivery to them of federal government bonds in such amounts as the banks may require to the total amount of the "active deposits". Payment for these bonds to be charged on the assets of the bank and to be deposited with the Federal government as against currency issued in the same manner as national bank currency.

[President Hoover's letter to Secretary Mills, dated March 1, 1933, relating to his appointment with William H. Woodin, follows.]

My dear Mr. Secretary:

The appointment you have made with Mr. Woodin is to again offer the full cooperation of the administration to the President-elect in any line of sensible action which will meet the present banking situation. If he or his advisers will indicate to us what they wish to have done to meet the present emergency, and if it is of the nature that will serve the purpose, I shall be glad to present it to the Congress, but it would be futile to present anything unless the President-elect will publicly declare that it is his desire that it should be undertaken. It is obvious to anybody that the majority of the Congress during this session have acted, and will continue to act, only with his indicated approval. In view of our repeated offers to cooperate this very fact assesses him with responsibilities for the present situation which no amount of declamation can postpone until after March 4th.

Yours faithfully,
HERBERT HOOVER

[Honorable Ogden L. Mills, Secretary of the Treasury, Washington, D.C.]

Thursday, March 2, 1933

At breakfast there were present Secretary Mills, Secretary Ballantine, Henry Robinson, Mark Sullivan, and myself. Mr. Mills reported that no conclusions were reached at last night's conference in New York; that the majority opinion was

1. That the situation could stand for another 10 days.
2. That Federal action would have to be taken in order to affect the situation.

Supplement I

3. That they were divided as between the advisability of bank guarantee and legislation for reorganization of all banks.

Mr. Woodin would not express himself in either direction and clearly indicated that he has instructions not to agree to anything, that he was there merely to listen.

The breakfast discussion came to the conclusion that——

Nothing could be done without the wholehearted approval of the President-elect; that the ideal situation would be for the President-elect to join with the President in the formulation of a plan which could be put forward jointly to Congress and the country as the joint product of the two and with their united backing; that without this it would be impossible to secure any legislation in this session; that it probably could go over to the special session to begin on Monday or Tuesday. I expressed myself as entirely willing and anxious to join in such a service. It was concluded that without knowing something of the economic policies of the new administration, which they refused to disclose, it would be impossible to have any sound scheme in advance, but that evidently they had no definite ideas.

Mr. Mills felt that they were bound to call in the former administration men in order to secure support of the country. I suggested to him that the administration men ought to refuse to cooperate unless actually requested.

The situation in the country was canvassed shortly showing some 23 States have already enacted laws which totally demoralize the situation. All but two of them had done so since Monday, and hoarding had increased by \$600 million. Mr. Mills stated that it was possible to issue an additional \$2 billion of currency. I differed as I believe another billion would produce such technical difficulties that we would be off the gold standard. This would measure the situation by 5 days at the present rate of hoarding.

I had Senator Robinson and Senator Glass at the White House after lunch today, from 2:15 to 3:15.

I asked Senator Glass what prospect there was of securing passage of his bill through the House, stating that I felt the provisions for reopen-

Supplement I

ing closed banks might be helpful in the present situation. I also felt that the provisions for branch banking, although limited, would be an advantage. I cited some instances where it would help greatly in the present situation. I said I had urged its passage on all the members of the committee, both Republicans and Democrats. Senator Glass said he had been urging it as recently as this morning, that at first Garner blamed Steagall and now Steagall blamed Garner. After some conversation they undertook to see if the President-elect would not take an immediate hand for passage of the bill through the House without change.

During conversations with Senators Glass and Joe Robinson upon the financial situation, I stated in summary the following:

1. The developing gravity of the situation due to the breakdown of public confidence was expressing itself in hoarding, flight of capital, bank failures, Governors' proclamations, State protective legislation and dangers to Federal financing on March 15th.

2. That there was necessity for an immediate determination of Federal policies that could take either one or two general directions:

- a. Determined resolution to let State and local communities work their way out through clearinghouse scrip, State legislation, local reorganization of banks, setting up of new banks, etc.

- b. Federal aid.

3. If Federal handling of the problem were determined upon, then there must be an immediate determination of the program and Congress must be quickly convened; that it would be of no use to convene Congress without a program as that would mean chaos. If Federal aid were determined upon, there seemed to be three general directions on which it might proceed:

- a. Treasury deposits in banks (subsequently appears to be the Leffingwell-Gilbert inflation plan).

- b. Bank deposit guarantees.

- c. Drastic reorganization of weak banks down to their assets under the Comptroller in cooperation with State authorities.

4. That I hoped they would express to Governor Roosevelt the desire

Supplement I

of myself and my colleagues to cooperate to the full if any action prior to March 4 was desired; that obviously it would be improper for us to take any action without their joint action, as that might embarrass their policies to be adopted after March 4.

5. That we would cooperate after March 4 in the solution of this problem; that our cooperation then would be merely advice and moral support; that obviously with the general breakdown of confidence it would seem desirable that every element in the community, including leaders of the Republican party should be brought into cooperation in support of community action.

6. Determination of a plan of action must be made under the leadership of the Democratic Party; that I would, of course, reject inflation. The other courses would depend entirely upon the limitations put upon them; that I would be willing to accept any method which Senator Glass would approve.

7. That Mr. Roosevelt nor his advisers had been willing to indicate to us any settled plan; that I did not myself believe they had any plan, and that this was the tragedy of the situation; that we had tried repeatedly to secure cooperation; that his constant statement was that they would take responsibility at noon on March 4 and not before, yet the Governor had a great moral responsibility before the American people; that I did not care to go into the causes of the breakdown in public confidence. I naturally have my own views and would not expect them to agree, but that we could agree that when a man's leg was broken it was immaterial so far as the leg was concerned whether he broke it while drunk or while rescuing a child from under a railroad train; that the Governor's moral responsibility during the last 2 months rested on the fact that there was a Democratic House of Representatives which would take no action without his approval; that he had intervened at one time to veto an agreement we had reached for balancing the budget, and this established the fact that no legislation could take place without his approval; that with this situation I had proposed time and again that we should have cooperation but had received no support; that despite all that, I was prepared to cooperate from this minute as if

Supplement I

nothing had happened in the past, and that I wanted them to lay this before the President-elect.

Both Senators Robinson and Glass expressed the view that no plan had been settled for dealing with the situation and that it would be folly to call Congress into session until such plan had been agreed upon. Senator Glass expressed himself as opposed to bank guarantees. They stated they did not think Governor Roosevelt had any realization of the problem, and certainly he had not discussed it with them except in casual fashion and not to the extent they had desired to do so. They told me they would be glad to convey my offer to the Governor.

Senators Glass and Robinson became very bitter about the incoming President. Robinson described the circumstances of his being given a few minutes of conversation with the Governor while he was in the bathroom, and Glass described his limitation to 10 minutes to discuss the whole financial problem of the United States. They expressed their disgust at the Cabinet, related how they had urged him to secure leading men of the Democratic Party, and indicated the breakdown in public confidence had been contributed to by the character of the Cabinet chosen. They stated that the only capable man in it had just died (Walsh),⁵ and expressed general dismay at the outlook of character of the man coming to the Government. They naturally hoped for the best but were obviously pessimistic and very discouraged. Their attitude toward the incoming President was surprising in its frankness and extended at times to disgust.

Adolph Miller called me at 6:30 in the evening, and stated that the situation in New York had become perilous, that they considered it necessary for me to take action under the Enemy Trading Act to declare bank holidays until the matter could be dealt with. He said the Federal Reserve Board would meet at 8 o'clock to consider the alarming reports from all over the country. I told him I would take no action unless recommended by the Board, and that I assumed the Board considered

⁵ Thomas J. Walsh, Senator from Montana and Attorney General-designate, died on March 2, 1933.

Supplement I

action only to control hoarding and speculation in exchange and not a moratorium. He said yes.

I addressed a letter to the Federal Reserve Board, formally asking their opinion, and I further forwarded to them my tentative outline as to the bank guarantee of the least degree of danger if we should come to a situation where they would have to be done as a last resort.

I called Secretary Mills and told him of the conversation with Miller, and that if anything of this kind were in contemplation it should be taken up with Mr. Woodin and the President-elect; that I would require joint recommendation of himself, the Reserve Board, Mr. Woodin, and the President-elect. He agreed that this was absolutely essential. A further point I made was to declare Federal holidays even until Monday night would project solution of the whole thing on the Federal Government, which could only be done in contemplation of the assembling of Congress for the purpose of dealing with the situation; that to limit action to hoarding and exchange control would avoid this. That was a major decision as between local and Federal handling of the problem, and we had no right to project the next administration into that decision by indirection. Mills agreed entirely. He asked that I have the Attorney General pass upon my authority under the act. I called the Attorney General and asked him to see Mr. Mills and advise him on the question.

I went to dinner at Senator Reed's and returned home at 10:20; called Mr. Ballantine at the Treasury to find out what was going on. He said that Mr. Woodin was in session in New York with the important advisers and that the Federal Reserve Board was sitting in the next room together with Secretary Mills; that they had put the position up to Mr. Woodin, who was anxious that bank holidays should be declared. I surmised from Ballantine's tone that there was some difficulty, and asked if this was the case. He said he thought they were having trouble planning it out with the President-elect.

At 11:15, Ballantine called to ask if I would be available in case they came to any conclusion, and informed me that the Attorney General was then examining the law and drafting a proclamation. A few minutes later I again talked to Mills and reiterated that we must be

Supplement I

prepared to make a public statement to the effect that this was a joint conclusion of both the President-elect and myself; that it was recommended by Woodin as well as Secretary Mills and the Federal Reserve Board. He stated that he, Ballantine, and Douglas were in entire agreement that we must not act except on united front, as a lack of unity would throw confusion into the country and might embarrass the next administration severely. He told me the Attorney General was prepared to give a favorable opinion provided it was supported by all elements of the outgoing and incoming government, but it would not do to risk it without this support, because any suspicion upon action by the incoming government would break down the moral value of the action at once. He stated that the authority was so thin that it would require confirmation by Congress and that only the new Congress could do that.

Fifteen minutes later Secretary Mills called and stated that he had just finished talking with Woodin; that Woodin had stated that he regretted he was unable to secure the Governor's approval and the most the Governor would do would be to say he would raise no objections. I told Mills he should call Woodin up and tell him we could not proceed under these circumstances.

A little after midnight Mills called and said that he had further conversation with Woodin, who was much broken up at his inability to secure cooperation of his chief, but had made the suggestion that he should declare a holiday in effect until noon of March 4. I suggested to Mills that I did not myself approve of declaring a holiday; that it would bring great local difficulties and delays; that it would be difficult to unwind, but that I believed a proclamation against hoarding and controlling foreign exchange would be sufficient and would keep the banks open; that the Governors of the States should adjust holidays to needs of localities. I asked Mills if Woodin was prepared to recommend this and allow a public statement that it was done at his recommendation, but Mr. Woodin would not do this.

[Letter, dated March 2, 1933, from Eugene Meyer, Governor of the Federal Reserve Board, follows.]

Supplement I

Dear Mr. President:

The Board has received and carefully considered your letter of February 28, 1933.

In response to your first inquiry, the Board has requested me to advise you that it is not at this time prepared to recommend any form of Federal guarantee of banking deposits. You are, of course, thoroughly familiar with the history of such experiments in some of the States and the inherent dangers in a proposal of this kind.

With respect to your second inquiry, it is understood that, in referring to the establishment of clearing house systems, you have in mind the possibility of the issuance of clearing house certificates or scrip in different communities throughout the country. This, of course, would require the voluntary and wholehearted cooperation of the bankers in particular areas, and, under conditions like these, the matter is one that presents a number of complications from the standpoint of practical operation. The possibility of issuing such certificates has been discussed with some of the leaders in several important communities where critical situations have developed, including Detroit, Cleveland, and Baltimore, and information regarding mechanics and procedure has been furnished to them. Similar information also has been transmitted to the chairmen and governors of all Federal reserve banks. In addition, we are advised that the Finance Department of the United States Chamber of Commerce recently sent to the presidents of clearing houses, the governors of the Federal reserve banks, and to some individual bankers, considerable material relating to clearing house certificates and other substitutes for cash, with the statement, however, that the Chamber is not urging the adoption of particular devices to meet current situations which necessarily change from day to day.

We know that the question of issuing clearing house certificates has been or is being considered in the communities named and others, including the District of Columbia, but, for a number of reasons, many of which relate directly to their local situations, they have not felt, up to this time, that it would be feasible or desirable for them to resort to such a device. In Cleveland, it is our understanding that a committee has been appointed by the Clearing House Association for the purpose of canvassing all aspects of the matter in the light of the situation there.

Answering your third inquiry, the Board has requested me to point out that the question is not whether the situation should be allowed to drift along under the sporadic state and community solutions now in progress, but whether any other step can properly be taken now which would produce better results and which at the same time would not create greater difficulty or alarm. All sorts of proposals and possibilities for dealing with the general situation with which we are confronted have been and are being canvassed and discussed, but so far no additional measures or authority have developed in concrete form which, at the moment, the Board feels it would be justified in urging.

Supplement I

I may add that these matters are dealt with here only in summary form, because it is understood that you are familiar with the results of the discussions that have taken place recently, including the conference that was held Tuesday evening.

Respectfully yours,
EUGENE MEYER
Governor

[Letter, dated March 2, 1933, from Secretary Mills, follows.]

Dear Mr. President:

Referring to your personal notes of February 22nd and March 1st, 1933, I have submitted to Mr. Woodin in detail the various phases of the present financial and banking situations and the critical nature of the problems that confront the country and the Government. I emphasized the desire of the Administration to cooperate in every way with the incoming Administration and to facilitate the transfer of the government from the present to the incoming Administration.

On the occasion of my first conference with him on February 22nd, I pointed out how enormously helpful it would be were Governor Roosevelt willing at once to declare that it would be his policy to take all necessary steps to bring the budget of the Federal Government into balance and to maintain the credit of the Government and to resist all schemes looking to uncontrolled inflation. Again last night, I stated as emphatically as I could that great as are the present difficulties, their solution would be greatly facilitated by a clean-cut declaration along these lines in the Inaugural Address, while a failure to do so would inevitably increase the existing uncertainty and fear and magnify the obstacles to be overcome.

Mr. Woodin evidently was not in a position to commit the President-elect, but he and I have spoken fully and frankly. He certainly knows my views, and I think they faithfully represent yours. I know that he will welcome any assistance that I may be able to give him in taking over his own immediate and at present extremely difficult duties.

Faithfully yours,
OGDEN L. MILLS
Secretary of the Treasury

[Hon. Herbert Hoover, The White House]

[The President's letter to the Federal Reserve Board, dated March 2, 1933, follows.]

Gentlemen:

I understand that the Board is meeting this evening to consider recommending to me the use of the emergency powers under Section 5 of the Enemy Trading Act

Supplement I

as amended, for the purpose of limiting the use of coin and currency to necessary purposes. I shall be glad to have the advice of the Board. If it is the view of the Board that these powers should be exerted I would be glad to have your recommendation accompanied by a form of proclamation, as it would seem to me it should be issued by me before banking hours tomorrow morning.

I also take this occasion to acknowledge the receipt of your letter of February 28th. I am familiar with the inherent dangers in any form of federal guarantee of banking deposits, but I am wondering whether or not the situation has reached the time when the Board should give further consideration to this possibility. I am enclosing herewith a rough outline of a method upon which I should like to have the Board advise me.

Yours faithfully,
HERBERT HOOVER

[To the Governor and Directors of the Federal Reserve Board, Washington, D.C.]

Plan submitted to Secretary Mills and rejected by him

(Plan sent to Federal Reserve Board March 2.)

1. All member banks shall be eligible. All non-member banks shall be eligible upon appraisal by the Federal Reserve Banks or by the Comptroller or such agencies as he may designate that the net assets of such bank exceeds 50% of the depositors. Joining of the plan to be voluntary with the banks.
2. For purposes of the plan, deposits in the joining banks are to be divided into two categories, that is "active deposits" and "inactive deposits".
3. The government to guarantee 100% of the "active deposits".
4. The "active deposits" to be
 - a. New deposits made in the banks.
 - b. 50% of the existing deposits of all depositors except secured or guaranteed depositors.
5. The "active deposits" to be a first charge of all assets of the bank including stockholders' liabilities. "Inactive deposits" to be subordinated entirely to the "active deposits" and not be available to depositors so long as the guarantee is outstanding.
6. The percentage of credit to the individual "active depositor" may be increased beyond 50% if on examination of the assets of the bank such assets prove to be more than 50%, but no such increase to exceed more than 75% of the value of existing assets. (This plan could be extended to banks whose assets are below 50% by guaranteeing an active account at some proportion of whatever the assets are, say 75%—if the assets show 40% of deposits, the "active accounts" could be opened for 30% and be made subject to federal guarantee).

Supplement I

7. The banks to pay into a common fund one-half of one percent of the average of their "active deposits" for the reimbursement of losses to the government.

8. No dividends to be paid by the banks joining in the plan and no payments to be made on "inactive accounts" during the period of the guarantee. New loans made by the banks to be of such character as may be determined by general regulations to be issued by the Comptroller. Such regulations to exclude speculative use.

9. Banks may come out from under the guarantee at any time with the consent of 75% of the deposits on "active account" but in any event the guarantee ends in 5 years.

10. Loans from the Reconstruction Finance Corporation in cases of inability of the banks to meet currency demands in the ordinary way.

Friday, March 3, 1933

At 9:30 in the morning Secretary Mills came to see me and stated that he felt the New York banks had taken action which he believed would enable them to get over the weekend. I stated that it seemed to me the intermediate stage here had not yet been undertaken—that was the declaration of any needed day to day holidays by the Governor of New York. All the other States had acted on their own authority to protect themselves and to bring the Federal Government into it merely because New York was in trouble should be put up to Governor Lehman, who had power to take action. Secretary Mills informed me that when he found Mr. Woodin was taking the matter up with Roosevelt he sent for Senator Byrnes and explained the situation, feeling that Byrnes went to Roosevelt and told him Woodin's difficulties. Byrnes indicated his great distress at the situation but said he could not do anything further. I showed Mr. Mills Governor Roosevelt's letter of March 1, in which he used the expression "You doubtless know of the proposal to give authority to the Treasury to deposit funds directly in any bank". I told him I did not understand what this meant, but it indicated he had something in his mind. Mills explained to me that Leffingwell and Gilbert of J. P. Morgan & Co., had devised a plan which the Federal Government was to deposit currency as an ordinary depositor in any bank up to the full demands of any of the bank's depositors; that Mr. Leffingwell had presented the plan to Roosevelt. He also knew he had presented it to Mr. Woodin, but Woodin had rejected it as impossible. It represented

Supplement 1

a 100 percent guarantee of all deposits irrespective of assets of the bank; that it would be a most gigantic inflationary scheme and, of course, meant going off the gold standard. I asked what he thought would happen to Government bonds. He said it was obscure, but, of course, everyone would run for gold if they could get it. He did not think there was any likelihood of getting it in view of Woodin's attitude.

I expressed amazement that men of their presumed financial experience would propose such a plan, and could not believe that it was without limitations, and stated that the bank guarantee plan as I had worked it out was dangerous enough but that it had within it enough restrictions to limit the dangers to a microscopic amount compared with this plan. I told him, however, that Tugwell's statement and others that had come to me, would check up fairly well with the plan, as indicating that the President-elect was seriously entertaining such ideas. He expressed his belief that it was so fantastic that it could not be possibly adopted; that they would have to come to the bank guarantee or to the clearinghouse scrip.

At 12 o'clock, Secretary Stimson called me to say that he had just had a conversation with Senator Hull, who stated that he had been with Roosevelt last night when they were endeavoring to get him to join in declaring a bank holiday; that Hull had strongly urged it on the Governor and was much disappointed that it had not been done but that there were "too damned many people about." He said he had taken the Governor into a separate room but there were still too many people; that Hull was much upset by developments of the previous evening.

Secretary Stimson asked if he was acting as Secretary of the Treasury and of State, and he said he guessed so, as he was trying to help out.

At 3:30, Secretary Mills called and stated that the situation in New York and Chicago during the day had been bad; that it was necessary that we have suspension of banking until legislation could be taken care of. He wanted me to at once send up and ask for a joint resolution calling for a 3-days' holiday and wished to take it up with Roosevelt when he called at 4 o'clock. I arranged for Secretary Mills and Governor Meyer to be at the White House to take part in the discussion with Roosevelt. In the meantime, I told Mills that the Governors of all the

Supplement I

other States had taken the initiative in protecting banking systems so as to meet local requirements; that I felt our effort should be to keep banks open, not closed. I said I was confident that no resolution could be passed by Congress; that it was not necessary; that it would destroy banking, which was going all right in certain localities; that I did not care to have my name on a message asking for a general moratorium in the United States until a plan for action under such a moratorium had been worked out; that I felt it inescapable that the banks should have local holidays by Governors to enable them to issue scrip, and that our proclamation should be limited to control of hoarding and exchange, thus keeping the banks open in many localities. A moratorium could not pass Congress in any event, as there would [be] at this late hour nothing but debate from refractory persons in the Senate. I stated I would do anything of the kind on the request of Governor Roosevelt and not otherwise.

After the social formalities of tea I told Governor Roosevelt that the situation had been very bad during the day and that Governor Meyer and Secretary Mills were waiting and I would like him to hear their statement. They were brought in, and Roosevelt asked to bring in Moley, which was done. I asked Governor Meyer to tell the Governor what the situation was in New York, which he did. Meyer made rather a rambling discussion of the whole situation, but finally drew up to the point that he felt there was no solution except national legislation; that Congress would have to meet quickly. He wanted a national moratorium in the meantime. Secretary Mills reinforced these ideas, and I intervened stating that the situation varied in each State as to the measures to be taken; that Governor Lehman had the same authority as every other Governor; that it would strike me that Roosevelt could quite well talk to Governor Lehman, who would no doubt act on his recommendation and could by acting with local authorities better adapt it to local needs than national action, which would embarrass many localities. Roosevelt stated that he had an appointment to talk with Governor Lehman at 6 o'clock for other purposes, and it would make a convenient time to talk with him.

Supplement I

Some conversation arose as to whether State holidays could be applied to Federal Reserve banks, and it was suggested that they had closed the Federal Reserve bank on Columbus Day, which was not a legal holiday in many States; that they did not seem to have to stick to national holidays on other occasions. I saw no reason why they needed a national holiday at the moment, especially as many States were comfortable and it was a pity to close their banks.

Mills told the Governor that national legislation was necessary and that it would be desirable to call in the leading men of the country and get it into a concrete plan. I assured the Governor that I would cooperate in any fashion he wanted to hold the situation during the next 24 hours, and to solve the national situation. To this he made no response. I stated we had gone through four such periods in this administration and we were getting used to such critical times and had given much thought to the immediate steps and future steps and would be glad to contribute.

I asked Secretary Mills to come to the office following the interview, and suggested that he get Harrison to consult Governor Lehman. He told me that Harrison told him Lehman would act in any way that Harrison recommended. I asked him why they did not do that last night instead of spending the night working on Roosevelt. They thought it would be better to close the banks nationally, but I suggested that this was not essential if steps were taken to stop hoarding and foreign exchange, and that we should work to keep every possible banking facility alive.

I then suggested to Mills that it seemed to me we were deficient in our relations to the new administration and the public in one particular; that we had 4 years experience dealing with these problems; that had we been met with this situation we would have had solution. We have alternative solutions, either clearinghouse or guarantee, which we know perfectly well is the only way out, dangerous as it may be, and I felt it desirable for me to transmit them personally to Roosevelt and tell him it was the sum of our opinion. Mills objected strongly and said he was not satisfied with it, although he agreed we would not get far away from them in any solution. I pointed out that in this crisis some solution would be produced, and that when it is produced we would get behind it as

Supplement I

good citizens and it would be better if we registered our view on twice as sound a proposition as was possible in advance. He felt we should not take this responsibility but should insist that men be brought to Washington to formulate a plan in which they would take responsibility for final conclusion. I said this was all right, but that our views would help any such group. I felt certain that the next administration would say we had left the crisis to them without a suggestion as to method of solution, despite their repeated failure to cooperate with us.

At 7:45 Secretary Mills rang me up, and again stated that the New York situation had been very bad during the day; that there has been a loss of 110 millions of gold to foreigners; 20 millions to others, 200 million currency to the interior; that we could not go on for another day without getting under water in the Federal Reserve bank; that it was absolutely necessary, in his view, to issue a proclamation of a national banking holiday, to last until Tuesday night. He said that he had been with Mr. Woodin, and they were both urgent that I should sign it at once. I told him that I did not like the idea at all; that I could not entertain it unless it was directly asked for by Governor Roosevelt, and that if I signed it I should issue it as a ministerial act on behalf of the President-elect; that I believed the situation could be much better handled by a control of hoarding and exchange and possible clearinghouse scrip, together with local action by Governors and cooperation with State bankers; that the agreement with Governor Roosevelt at 5 o'clock had been that he would take up the matter with Governor Lehman, as we were all agreed that the Governors having started these moratoriums should carry them through where it was necessary and should adapt each moratorium to their own State requirements, but that my ideas of control and clearinghouse action, instead of closing, should be put forward. Mills was very urgent, and I become equally resistant. I stated the object of my life had been to keep banks open, not to close them, and I proposed to fight on that line to the end.

I rang up the Attorney General, and asked what his views of it was and told him that I was very much opposed to a moratorium as a matter of public policy; that to impose a moratorium on 10 or 12 States which

Supplement I

had been proceeding with normal business, in order to take care of New York State interests, seemed to me to be a crime; that in any event the situation in New York could only mean the shifting of business in 3 hours on Saturday, and that it was not a loss of values; that no such sum would compensate for the enormous losses caused in areas which were not yet affected; that controls could be established which would keep the banks open in New York. Mitchell stated that he was very much opposed to general closing as a matter of public policy, and very doubtful about its being valid, and that he would call Mills up and caution him.

At 8:30, Governor Roosevelt rang me up and asked me what I thought of issuing the proclamation declaring a national holiday. I told him I had been thinking the matter over; that I hadn't changed my view from that expressed at our 5 o'clock conference, that this matter should be taken care of by the Governors of the States, with a national control limited to hoarding and foreign exchange. I told him if he would only believe me in giving him this advice that he should continue with Lehman and not project a national closing until he had his bearings. I told him there were forces of selfishness moving, but in any event I felt sure that the safest ground was to proceed in the manner indicated. He informed me that he had not been able to get hold of Lehman but that he agreed with me.

At 9 o'clock, Mark Sullivan came in, and I told him the circumstance. He advised strongly against taking the action, especially after Governor Roosevelt had refused to go along the day before on a hoarding and exchange control, when we could have saved the situation which developed during the day in New York and Chicago; that it would be to take a responsibility which I had no right to take, because I had no powers of correction of the wrong which might arise but should hold to my constructive program.

Being unable to get Mills on the telephone at the moment, I called up Ballantine and expressed to him my conviction that we should stop the movement for a national closing and concentrate on Lehman and the Governor of Illinois ⁶ for local action with national control of hoarding,

⁶ Henry Horner.

Supplement I

etc. Ballantine was very strong for national closing. I told him that I did not believe our officials had a right to put me in that position. I felt it was forcing my hand against my own conviction as to what was best for the country.

At 9:30, I asked Mills and the Attorney General to come to the Executive Offices. With Robinson and Sullivan we discussed the matter at length. Mills was bitterly disappointed at my attitude and would not give way on any proposition. He wanted me to call Governor Harrison on the telephone, which I did. I asked Harrison if they had approached Lehman for New York State action. Harrison argued at great length that a holiday in New York and Illinois would not answer the question and admitted that he had made no presentation to Lehman. I quoted to him the statement from Mills that Lehman had agreed to put in the holiday if Harrison asked for it in the name of the Federal Reserve bank. He did not deny it but said that Lehman was a weak reed to lean upon; that we had no time; that the proclamation must be issued at once. I told him he had better pursue the matter with Lehman, giving local authority and raised the questions of control of hoarding and foreign exchange by national proclamation; that I was informed that Lehman had come out with a statement at 3 o'clock in the afternoon saying that there was no occasion for closing banks, that he had not been requested to by anybody, and that he did not propose to do it. I pointed out to Harrison the position that this placed me in of doing something which the Governor of New York State said was entirely uncalled for. He evaded the question of limiting national proclamation to hoarding and exchange control, but said this would leave some Federal Reserve banks in difficulties if State Governors did not act. Harrison endeavored to argue the question on the basis of the probable debacle the next day, and intimated that mine would be the personal responsibility. This I resented greatly and told him so, that it could be remedied by control of exchange and local action by the Governor.

Eugene Meyer then rang me up and was extremely discourteous in his threats. He then put me on the telephone to Adolph Miller to reinforce his statements. I asked Miller what would be the effect if I gave

Supplement I

the authority to the Federal Reserve Board to control the hoarding of currency and gold, putting in such regulations as would control the foreign exchange. Miller said it could be managed without going off the gold standard and would save the situation. Meyer again interposed with the statement that this would not do at all, that he had discharged his duty by informing me of the situation, and that he proposed to hold me accountable for the national debacle, that nothing would save the situation but a national moratorium. He said controls were nonsense; we must close all the banks. I pointed out the great evils this would bring, especially as the Board had opposed all my efforts at clearinghouse set-ups, and they would have to be installed instantly and were not ready.

He rang up Mills and wanted Mills to repeat to me a letter which he had written in an endeavor to pass the responsibility from the Federal Reserve Board over to me. Mills very properly refused to repeat the letter, and told Meyer such a document had never been passed by the Board. Meyer said it had been. Mills pointed out there could be no quorum unless he, Mills, had been present, and that he had not been present. Mills told him he could put nothing of the kind over on us, and rang off.

At 11:15, I rang up Governor Roosevelt. I told him we were still considering the problem and that we were at work on it. He said that he was at work on it also. I asked him what his views would be of a joint request from himself and myself to the Governors of New York and Illinois to put in one day's holiday in order to give time to turn around and that we by proclamation should organize a control of exchange and hoarding that would allow the banks to open on Monday. He said that might answer, but went on to say that he had now talked to Lehman; that Lehman informed him that as late as 7 o'clock the Chairman ⁷ of the New York Clearing House, Mr. J. P. Morgan, Thomas W. Lamont, and others had told him there was no occasion to close banks on Saturday; that it was simply panic on the part of Federal Reserve officials. I told him that I thought the situation was serious, but that the only way

⁷ George W. Davison.

Supplement I

to get at it was through the authority of the Governor in State institutions and our control of hoarding and exchange. He said that Lehman was within a few minutes having a meeting with both of these groups together; that he had no doubt that they would settle it. I asked him if he agreed with my view that there should be no national proclamation closing all the banks. He said he did not want it and would not support it as he wanted to consider the whole question. He told me that he had been talking with Senator Glass for an hour. Glass was opposed to a national closing; that he was opposed to national legislation; that he considered the whole business to be cleaned up through a series of clearinghouses if the bankers of the country would stand up and change their attitude; and that he, Roosevelt, was taking that view. I asked him if I might repeat to my colleagues his statement while he held on to the line. He did so. I told him that I thought that ended all question of national proclamation and he agreed.

Robinson then at once rang up Chicago and asked them how they were coming on. They expressed the view that the President should not under any circumstances issue a proclamation; that they had the Governor of Illinois in a meeting at that moment with the Federal Reserve and representative banking officials, together with the clearinghouse people; that the Governor was perfectly prepared to put in the holiday if the banks asked for it and that a national closing might do much harm.

At 12 o'clock, Dawes rang me up and asked what the situation was. I told him the situation.

I then went to bed.

Saturday, March 4, 1933

At 1:30, I was awakened by the policeman who delivered the attached letter from Eugene Meyer. At 8 o'clock in the morning I checked up and found that the two Governors had issued their proclamations. I called up Mills at 9:30 to ask him what had taken place at the Federal Reserve Board that gave rise to the letter they had written to me. He told me that he had objected to the letter but that they had overruled him; that Meyer was merely trying to escape responsibilities; that

Supplement I

Meyer had been the origin of the whole movement with Woodin and was anxious to loom large in the new administration; that he, Mills, had objected all along to the letter.

At 10 o'clock I wrote to Meyer my opinion of what he had done.

[Eugene Meyer's letter with enclosures, dated March 3, 1933, follows.]

Dear Mr. President:

The Federal Reserve Board has been in session again this evening reviewing the latest reports of developments. The situation as reported from Chicago has reached the point of extreme tension, with prospects that by the end of banking hours tomorrow the gold reserves of the Federal Reserve Bank of Chicago will be dangerously depleted. Representative bankers are assembled there tonight and have requested that a national holiday be proclaimed as the only method they know of dealing with the immediate exigency with which they are confronted.

There is enclosed a copy of a resolution adopted by the Board of Directors of the Federal Reserve Bank of New York, now in session. This resolution speaks for itself as to the New York situation.

Similar conditions are developing rapidly in other Federal reserve districts.

The Federal Reserve Board has considered two methods of dealing with this emergency, one by executive order and the other by joint resolution of Congress. The Senate having adjourned for the day, the issuance of an executive order seems to be the only alternative to meet the immediate situation. A form of executive order is enclosed for your consideration.

The Federal Reserve Board feels that it cannot too strongly urge that the situation has reached a point where immediate action is necessary to prevent a banking collapse.

Respectfully,
EUGENE MEYER
Governor

P.S. Since this letter was dictated, there has been communicated to us, by telephone, a resolution adopted by the Executive Committee of the Federal Reserve Bank of Chicago, now in session. A copy of this resolution also is enclosed.

Enclosures.

[The President, The White House]

RESOLUTION ADOPTED BY THE FEDERAL RESERVE BOARD OF NEW YORK

WHEREAS, In the opinion of the Board of Directors of the Federal Reserve Bank of New York, the continued and increasing withdrawal of currency and gold from the banks of the country has now created a national emergency, and

Supplement I

WHEREAS, It is understood that adequate remedial measures cannot be enacted before tomorrow morning,

NOW, THEREFORE, BE IT RESOLVED, That in this emergency the Federal Reserve Board is hereby requested to urge the President of the United States to declare a bank holiday Saturday, March 4, and Monday, March 6, in order to afford opportunity to governmental authorities and the banks themselves to take such measures as may be necessary to protect the interests of the people and promptly to provide adequate banking and credit facilities for all parts of the country.

PROPOSED EXECUTIVE ORDER

EXECUTIVE ORDER

WHEREAS the nation's banking institutions are being subjected to heavy withdrawals of currency for hoarding; and

WHEREAS there is increasing speculative activity in foreign exchanges; and

WHEREAS these conditions have created a national emergency in which it is in the best interest of all bank depositors that a period of respite be provided with a view to preventing further hoarding of coin, bullion or currency or speculation in foreign exchange, and permitting the application of appropriate measures for dealing with the emergency in order to protect the interests of all the people; and

WHEREAS it is provided in Section 5(b) of the Act of October 6, 1917, as amended, that "The President may investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange and the export, hoarding, melting, or earmarkings of gold or silver coin or bullion or currency * * *"; and

WHEREAS it is provided in Section 16 of the said Act that "Whoever shall willfully violate any of the provisions of this Act or of any license, rule, or regulation issued thereunder, and whoever shall willfully violate, neglect, or refuse to comply with any order of the President issued in compliance with the provisions of this Act shall, upon conviction, be fined not more than \$10,000, or, if a natural person, imprisoned for not more than ten years, or both * * *";

NOW, THEREFORE, pursuant to the authority granted by said Act, I hereby order, direct and declare that:

1. From Saturday, the fourth day of March, to Tuesday, the Seventh day of March, Nineteen Hundred and Thirty Three, both dates inclusive, there shall be maintained and observed throughout the United States of America a bank holiday for all of the purposes hereinafter set forth;

2. During said holiday, no banking institution as hereinafter defined shall pay out, export, earmark, or permit the withdrawal or transfer in any manner or by

Supplement I

any device whatsoever of any gold or silver coin or bullion or currency or take any other action which might facilitate the hoarding thereof; nor shall any such banking institution pay out deposits, make loans or discounts, deal in foreign exchange, or transact any other banking business whatsoever.

3. Upon the expiration of said holiday and until otherwise ordered by the President of the United States, such banking institutions may pay out, export, earmark or permit the withdrawal or transfer of gold or silver coin or bullion or currency, or deal in foreign exchange to such extent as may be permitted by license or otherwise under regulations issued by the Secretary of the Treasury with the approval of the President.

4. The Secretary of the Treasury, with the approval of the President, is authorized and empowered to prescribe such regulations as he may find necessary to carry out the purposes of this order.

5. The term "banking institution" as herein used shall include all Federal reserve banks, national banking associations, banks, trust companies, savings banks, building and loan associations, credit unions, or other corporations, partnerships, associations or persons engaged in the business of receiving deposits, making loans, discounting business paper, or transacting any other form of banking business.

The White House
March, 1933.

RESOLUTION ADOPTED BY THE FEDERAL RESERVE BOARD OF CHICAGO

WHEREAS, The Executive Committee of the Board of Directors of the Federal Reserve Bank of Chicago believes that the continuation of the withdrawal of currency and gold from the banks of the country has created a national emergency which requires immediate action, and

WHEREAS, it appears that adequate measures cannot be enacted to remedy this situation unless governmental authorities act tonight,

NOW, THEREFORE, be it resolved that because of this emergency it is the sense of this Committee that the Federal Reserve Board should urge upon the President of the United States that he immediately declare a bank holiday for Saturday, March 4, and Monday, March 6, in order to give the banks and the governmental authorities sufficient time and an opportunity to provide the necessary measures for the protection of the public interests and so that adequate banking and credit facilities may be provided as promptly as possible for the entire Nation.

Supplement I

[President Hoover's letter, dated March 4, 1933, in response to Eugene Meyer, follows.]

My dear Governor Meyer:

I received at half past one this morning your letter dated March 3rd. I must assume that this letter was written on the basis of information received by you prior to 11:30 o'clock last night for the reason that before your letter was sent you had certain information as follows:

a. At 11 o'clock last night the President-elect had informed me he did not wish such a proclamation issued.

b. The Attorney General had renewed the same opinion which he had already given to the Board that the authorities on which you were relying were inadequate unless supported by the incoming Administration.

c. That groups of representative bankers in both Chicago and New York, embracing members of the Board of Directors of the Federal Reserve Banks in those cities, were then in conference with the governors of the states of Illinois and New York, and that the governors of these two states were prepared to act if these representative groups so recommended. It appears that the governors did take action under their authorities, declaring a temporary holiday in these two critical states, and thus accomplishing the major purposes which the Board apparently had in mind.

In view of the above I am at a loss to understand why such a communication should have been sent to me in the last few hours of this Administration, which I believe the Board must now admit was neither justified nor necessary.

Yours faithfully,

HERBERT HOOVER

[Hon. Eugene Meyer, Federal Reserve Board, Washington, D.C.]

[The coverage of this volume ends at noon on March 4, 1933, with the close of the Hoover administration. Copies of the journal of events from the evening of March 4 to March 8, can be obtained from the Herbert Hoover Presidential Library, West Branch, Iowa. 52358]

Glossary of Names

- Ballantine, Arthur A., Under Secretary of the Treasury, 1016-1021, 1058, 1062, 1063, 1066, 1071, 1072, 1081, 1082
- Baruch, Bernard M., financier, 1034, 1040, 1041
- Bruce, Howard, member of the Federal Advisory Council of the Federal Reserve Board, 1036
- Byrnes, James F., Senator from South Carolina, 1076
- Chapin, Roy D., Secretary of Commerce, 1016, 1020, 1021, 1052, 1058
- Chrysler, Walter P., president and chairman of the board of the Chrysler Corporation, 1017
- Comstock, William A., Governor of Michigan, 1021, 1022
- Couch, Harvey C., member of the Board of Directors of the Reconstruction Finance Corporation, 1015
- Couzens, James, Senator from Michigan, 1015, 1018, 1020, 1021, 1041, 1052, 1054, 1055, 1058
- Couzens, Mrs. James, 1020
- Davison, George W., member of the Federal Advisory Council of the Federal Reserve Board and chairman of the board of the Central Hanover Bank and Trust Co. of New York, 1025, 1033, 1035, 1036, 1064, 1083
- Dawes, Charles G., chairman of the board of the City National Bank and Trust Co., of Chicago, Ill., 1084
- Douglas, James H., Assistant Secretary of the Treasury, 1072
- Fess, Simeon D., Senator from Ohio, 1035-1037, 1040
- Ford, Henry, president of Ford Motor Co., Detroit, Mich., 1015-1021, 1058
- Frost, Joseph H., member of the Federal Advisory Council of the Federal Reserve Board, 1036
- Garfield, James R., former Secretary of the Interior, 1025, 1026, 1046, 1047, 1058
- Garner, John Nance, Speaker of the House of Representatives and Vice-President-elect of the United States, 1025, 1026, 1068
- Gilbert, S. Parker, former Under Secretary of the Treasury and partner in the J. P. Morgan & Co., 1054, 1055, 1068, 1076
- Glass, Carter, Senator from Virginia, 1025, 1030, 1034, 1041, 1061, 1067-1070, 1084
- Harrison, George L., Governor of the Federal Reserve Bank of New York, 1022-1024, 1035, 1041, 1051, 1054, 1064, 1079, 1082
- Harrison, Pat, Senator from Mississippi, 1034
- Hays, Will H., president of Motion Picture Producers and Distributors of America, 1053
- Horner, Henry, Governor of Illinois, 1081, 1084
- Howard, Roy W., chairman of the board of the Newspaper Enterprise Associa-

Glossary of Names

- tion and Scripps-Howard newspapers, 1053
- Hull, Cordell, Senator from Virginia and Secretary of State-designate, 1025, 1054, 1077
- Jones, Jesse H., member of the Board of Directors of the Reconstruction Finance Corporation, 1015
- Joslin, Theodore G., Secretary to the President, 1056
- Lamont, Thomas W., member of J. P. Morgan & Co., 1083
- Leffingwell, Russell C., member of J. P. Morgan & Co., 1054, 1059, 1068, 1076
- Lehman, Herbert M., Governor of New York, 1023, 1076, 1078, 1079, 1081-1084
- Loeb, Howard A., member of the Federal Advisory Council of the Federal Reserve Board, 1036
- Loomis, lawyer from New York, 1025
- McCain, Charles S., president of Chase National Bank, 1033
- McEldowney, Henry C., member of the Federal Advisory Council of the Federal Reserve Board, 1036
- McLucas, Walter, member of the Federal Advisory Council of the Federal Reserve Board, 1033-1035
- Meyer, Eugene, Governor of the Federal Reserve Board, 1021-1026, 1044, 1045, 1055, 1056, 1060, 1062-1064, 1072, 1074, 1077, 1078, 1082-1085, 1088
- Miller, Adolph C., member of the Board of Governors of the Federal Reserve Board, 1023, 1070, 1071, 1082, 1083
- Miller, Charles A., President of the Reconstruction Finance Corporation, 1013-1018, 1047, 1054, 1055, 1058
- Mills, Ogden L., Secretary of the Treasury, 1015-1018, 1020-1022, 1024-1026, 1035, 1041-1043, 1045, 1047, 1050, 1051, 1054, 1055, 1058-1060, 1062-1064, 1066, 1067, 1071, 1072, 1074, 1076-1084
- Mills, Wilson W., chairman of the board of the First Wayne National Bank, 1018-1022
- Mitchell, Charles E., chairman of the board of the National City Bank of New York, 1054
- Mitchell, William D., Attorney General, 1035, 1048-1050, 1052, 1054, 1071, 1072, 1080-1082
- Moley, Raymond, professor of public law at Columbia University and adviser to President-elect Roosevelt, 1033, 1064, 1078
- Moran, W. H., Chief of the Secret Service Division, 1033
- Morgan, J. P., head of J. P. Morgan & Co., 1083
- Murphy, Murphy estates and former president of Guardian Trust, 1019
- Ottley, John K., member of the Federal Advisory Council of the Federal Reserve Board, 1036
- Pomerene, Atlee, Chairman of the Board of Directors of the Reconstruction Finance Corporation, 1019, 1020, 1048
- Rand, James H., Jr., president of Remington Rand Co., 1054, 1056, 1057
- Reed, David A., Senator from Pennsylvania, 1034, 1041, 1043, 1044, 1071
- Reynolds, Jackson E., president of the First National Bank of the City of New York, 1033

Glossary of Names

- Richey, Lawrence, Secretary to the President, 1033
- Ritchie, Albert C., Governor of Maryland, 1052
- Robinson, Henry M., member of the Federal Advisory Council of the Federal Reserve Board, 1019, 1023, 1025, 1036, 1066, 1082, 1084
- Robinson, Joseph T., Senator from Arkansas, 1024, 1034, 1067, 1068, 1070
- Roosevelt, Franklin Delano, President-elect of the United States, 1024, 1025, 1030, 1033-1036, 1040, 1041, 1043, 1044, 1048, 1050-1953, 1056, 1057, 1059-1061, 1063, 1066-1072, 1074, 1076-1081, 1083, 1084
- Shaw, Arch, Chairman of the President's Committee on Economic Research, 1026
- Sloan, Alfred P., Jr., president of General Motors Corporation, 1016, 1017
- Smith, Walter W., member of the Federal Advisory Council of the Federal Reserve Board, 1036
- Snyder, Carl, author and past president of the American Statisticians Association, 1062
- Steagall, Henry B., Representative from Alabama, 1068
- Steele, Thomas M., member of the Federal Advisory Council of the Federal Reserve Board, 1036
- Stewart, Walter P., economist, 1033
- Stimson, Henry L., Secretary of State, 1077
- Sullivan, Mark, journalist, 1034, 1040, 1062, 1066, 1081, 1082
- Traylor, Melvin A., member of the Federal Advisory Council of the Federal Reserve Board and president of the First National Bank of Chicago, 1034, 1057
- Tugwell, Rexford Guy, professor of economics at Columbia University and adviser to President-elect Roosevelt, 1056, 1057, 1077
- Vandenberg, Arthur H., Senator from Michigan, 1015, 1016, 1025, 1026
- Walsh, Thomas J., Senator from Montana and Attorney General-designate, 1070
- West, John S., Secret Service operative, 1033
- White, George, Governor of Ohio, 1046-1048
- Wold, Theodore, member of the Federal Advisory Council of the Federal Reserve Board, 1036
- Woodin, William H., Secretary of the Treasury-designate, 1033, 1041, 1042, 1047, 1048, 1050, 1051, 1056-1064, 1066, 1067, 1071, 1072, 1074, 1076, 1077, 1080, 1085

Appendix A—Additional White House Releases

NOTE: This appendix lists those releases not printed as items in this volume. A complete listing of Proclamations and Executive orders for 1932–33 appears in Appendix C and are printed in full in “Proclamations and Executive Orders, Herbert Hoover, 1929–1933.”

Date

Subject

1932

January

- | | |
|----|--|
| 6 | List of endorsers and biographical data on Henry Frank Holthusen |
| 8 | List of endorsers and biographical data for Charles C. Simons, nominated to be United States Circuit Judge, Sixth Circuit |
| 8 | List of endorsers and biographical data for Charles G. Briggles, nominated to be United States District Judge, Southern District of Illinois |
| 8 | List of endorsers for Kenneth Mackintosh, nominated to be United States Circuit Judge, Ninth Circuit |
| 12 | List of endorsers for James H. Wilkerson, nominated to be United States Circuit Judge, Seventh Circuit |
| 21 | Message to the Ohio Conference on Child Health and Protection |
| 28 | List of endorsers and biographical data for Matthew M. Joyce, nominated to be United States District Judge, District of Minnesota |

February

- | | |
|---|---|
| 1 | Proclamation 1986, Bicentennial of the Birth of George Washington |
| 5 | Partial list of organizations and individuals invited to attend the conference at the White House on the hoarding of currency, February 6, 1933 |
| 6 | List of the people who attended the conference at the White House on the hoarding of currency |

Appendix A

Date

Subject

1932

February

- 7 Message to the Chamber of Commerce of Chatham, New York
- 23 Proclamation 1990, extending copyright protection to Greek citizens

March

- 1 Message to the Arkansas Conference on Child Health and Protection
- 18 Message to the Michigan Conference on Child Health and Protection
- 21 Proclamation 1995, Child Health Day
- 22 Executive Order 5824, opening income tax returns to inspection by State officers for State intangible property tax purposes

April

- 1 Message to the Washington Conference on Child Health and Protection
- 5 List of addresses and remarks by Herbert Hoover from 1920 to April 1932 on reorganization of the executive branch
- 14 Message to the Iowa Conference on Child Health and Protection
- 14 List of endorsers and biographical data on George A. Walsh, nominated to be United States District Judge, Eastern District of Pennsylvania

May

- 2 Message to the Oregon Conference on Child Health and Protection
- 5 Message to the Wyoming Conference on Child Health and Protection
- 9 Message to the Kansas Conference on Child Health and Protection
- 25 List of editors and publishers invited to a conference with the President on economy, revenue, relief, and recovery plans
- 26 Message to the South Dakota Conference on Child Health and Protection

Appendix A

<i>Date</i>	<i>Subject</i>
<i>1932</i>	
<i>June</i>	
11	List of endorsers and biographical data on Phillip Forman, nominated to be United States District Judge, District of New Jersey
30	Executive Order 5870, modifying travel regulations
30	Executive Order 5871, continuing the regulations governing sick leave
30	Executive Order 5872, exemption of persons from compulsory retirement for age
30	Executive Order 5873, temporary exemption of persons from compulsory retirement for age
30	Executive Order 5874, temporary exemption of persons from retirement for age in order to afford time for filling vacancies
30	Executive Order 5875, temporary exemption of persons from compulsory retirement for age
<i>July</i>	
20	Executive Order 5892, transfer of the Radio Division of the Department of Commerce to the Federal Radio Commission
28	Biographical data on Charles A. Miller, nominated to be a member of the Board of Directors of the Reconstruction Finance Corporation
29	Executive Order 5896, exemption of persons from compulsory retirement for age
30	Executive Order 5897, temporary exemption of William Bertrand Acker from compulsory retirement for age
<i>August</i>	
3	Biographical data on Roy D. Chapin, Secretary-designate of Commerce
6	Biographical data on Franklin W. Fort, Nathan Adams, William E. Best, H. Morton Bodfish, and Dr. John M. Gries, members of the Federal Home Loan Bank Board

Appendix A

<i>Date</i>	<i>Subject</i>
<i>1932</i>	
<i>August</i>	
10	Statement by Secretary to the President Theodore G. Joslin to a committee of writers about the bonus marchers
11	Advance text of the address accepting the Republican Presidential nomination
14	List of members of the conference of banking and industrial committees
18	Proclamation 2006, exempting the Virgin Island from coastwise laws
<i>September</i>	
2	Proclamation 2009, National Fire Prevention Week—1932
12	Proclamation 2010, Pulaski Memorial Day
16	Letter of congratulations to William C. Creamer on his 71st year with Arnold, Constable and Company
26	Advance text of the President's remarks at the laying of the cornerstone of the new Post Office Department Building
27	Announcement of the recess appointment of Charles R. Crisp to the United States Tariff Commission
<i>October</i>	
5	Telegram from Charles A. Lindbergh endorsing the President for reelection
5	Congratulatory telegrams on the President's Des Moines address
8	Message to the Delaware Conference on Child Health and Protection
24	List of cities whose industries were determined to be adversely affected by increased imports of competitive goods

Appendix A

<i>Date</i>	<i>Subject</i>
<i>1932</i>	
<i>October</i>	
26	Fact sheet on Negroes in the Federal Government
28	Message to the Kentucky Conference on Child Health and Protection
<i>November</i>	
2	Letter to Elizabeth R. Rhoda expressing appreciation for her effort to vote in spite of infirmity
3	Proclamation 2014, Armistice Day, 1932
3	Proclamation 2015, Thanksgiving Day, 1932
6	Text of the news conference of November 6, 1932 as edited by the President
11	Message to the California Conference on Child Health and Protection
18	Message to the Tennessee Conference on Child Health and Protection
<i>December</i>	
3	Letter to Mrs. Julia Tubbs expressing appreciation for casting her absentee ballot for the President
8	Proclamation 2016, postponing the expiration date of the lending power of the Reconstruction Finance Corporation
10	Letter to Ruth Bannerman of Hempstead, N.Y. expressing appreciation for a sketch of the President
14	Proclamation 2017, increasing rates of duty on upholsterer's nails, chair glides, and thumb tacks
14	Proclamation 2018, increasing rates of duty on cocoa-fiber mats
14	Proclamation 2019, increasing rates of duty on cotton velvets
14	Proclamation 2020, increasing rates of duty on folding rules
14	Proclamation 2021, increasing rates of duty on prism binoculars

Appendix A

Date

Subject

1932

December

- 19 Executive Order 5977, excusing employees of the Federal Government on December 24 and December 31, 1932
- 20 Letter from Secretary of State Henry L. Stimson about immigration
- 23 Proclamation 2023, extending warehousing time for merchandise in bonded warehouse, bonded carpet, wool and camel hair, and drawback exports
- 23 Executive Order 5984, amendment of Civil Service Rule VII

1933

January

- 3 Extracts from Presidential and pre-Presidential remarks and statements by Herbert Hoover upon opposition to reorganization of the executive branch
- 13 Report to the President by the Secretary of War on H.R. 7233, a bill granting Philippine independence (undated)
- 13 Report to the President by the Secretary of State on H.R. 7233, a bill granting Philippine independence (dated January 3, 1933)
- 13 Report to the President by the Secretary of Commerce on H.R. 7233, a bill granting Philippine independence (dated January 9, 1933)
- 13 Report to the President by the Secretary of Agriculture on H.R. 7233, a bill granting Philippine independence (dated January 9, 1933)
- 30 Analysis of budget estimates which have been acted upon by the House of Representatives or its Committee on Appropriations to January 27, 1933

February

- 1 Proclamation 2027, increasing rate of duty on rubber-soled and rubber footwear
- 9 Message to the Texas Conference on Child Health and Protection

1098

Appendix A

Date

Subject

1933

February

- 10 Letter to Pliny W. Williamson of Scarsdale, N.Y., expressing appreciation for his campaign work
- 14 Proclamation 2029, convening the Senate in Special Session on March 4, 1933
- 23 Letter of resignation of James C. Stone as Chairman and member of the Federal Farm Board
- 25 Letter from Attorney General William D. Mitchell on S. 4020, a bill on the reform of criminal procedures in the Federal courts (dated February 24, 1933)

March

- 4 Letter from Secretary of Agriculture Arthur M. Hyde on S. 5122, a bill to provide for the purchase and sale of cotton under the supervision of the Secretary of Agriculture
- 4 An analysis of changes in the 1934 budget estimates made by Congress in the appropriation bills enacted to date

Appendix B—Messages to the Congress

NOTE: This appendix lists those messages not printed as items in this volume. Presidential reports to the Congress are not included and are listed separately in Appendix D.

72d Congress, 1st Session

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1932		
January		
2	Transmitting supplemental appropriation request for the Senate.....	H. Doc. 199
4	Transmitting appropriations requests to pay: Expenses of U.S. participation in the meetings of the International Technical Committee of Aerial Legal Experts.....	S. Doc. 33
	Claims of certain foreign governments and their nationals.....	S. Doc. 34
4	Transmitting supplemental appropriation request for the Department of the Treasury for narcotic farm at Fort Worth, Tex.....	H. Doc. 197
5	Transmitting supplemental appropriation request for the House of Representatives.....	H. Doc. 205
7	Transmitting supplemental appropriation request for land acquisition at Kelley Field, Tex.....	S. Doc. 37
7	Transmitting supplemental appropriation request and proposed change in existing appropriation for the Department of the Treasury.....	S. Doc. 38
7	Transmitting appropriations requests to: Pay judgments rendered by the Court of Claims..	S. Doc. 39
	Pay judgments rendered by the District Courts..	S. Doc. 40
	Pay damages due to collision by naval vessels..	S. Doc. 41

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1932		
January		
7	Transmitting appropriations requests to—Continued Pay claims allowed by the General Accounting Office.....	S. Doc. 42
	Reimburse Foreign Service officers for losses suffered in the Managua, Nicaragua, earthquake.	H. Doc. 214
8	Transmitting appropriations request to pay damages to private property.....	S. Doc. 46
8	Transmitting proposed changes in existing appropriations for: General and Special Claims Commissions, United States and Mexico.....	S. Doc. 45
	Coast and Geodetic Survey.....	H. Doc. 219
16	Transmitting proposed change in existing appropriation for an investigation of law enforcement in the territory of Hawaii.....	S. Doc. 52
19	Transmitting resolutions and other communications relative to Philippine independence.....	.....
20	Transmitting supplemental appropriations requests for: World Disarmament Conference.....	H. Doc. 230
	House of Representatives.....	H. Doc. 231
25	Transmitting copies of laws enacted by the 12th Legislature of Porto Rico, during its special session, Nov. 25–Dec. 8, 1931.....	.....
27	Transmitting a report by the Secretary of State on conditions in Manchuria.....	S. Doc. 55
27	Transmitting supplemental appropriation request for the Bureau of Indian Affairs.....	H. Doc. 237
28	Transmitting a proposed change in the budget for the Department of the Treasury.....	H. Doc. 240

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1932		
February		
3	Transmitting a treaty of arbitration and conciliation with Switzerland.....	
3	Transmitting a treaty with Italy amending the Conciliation Treaty of 1914.....	
4	Transmitting supplemental appropriation request for grasshopper control.....	H. Doc. 243
8	Returning for technical correction S. 2199, entitled "An Act Exempting building and loan associations from being adjudged bankrupts".....	
12	Transmitting supplemental appropriation request for the House of Representatives.....	H. Doc. 247
15	Transmitting supplemental appropriation request for the Chicago World's Fair Centennial Commission.	H. Doc. 251
18	Transmitting appropriation request to compensate Horacio de Jesus Castillo, a Nicaraguan citizen, for injuries sustained as a result of being shot by a U.S. Marine.....	H. Doc. 256
18	Transmitting supplemental appropriation request to pay awards in favor of the Pueblo Indians of New Mexico.....	S. Doc. 59
25	Transmitting a proposed change in an existing appropriation for construction work in Acadia National Park.....	S. Doc. 62
27	Transmitting supplemental appropriations requests for:	
	Library of Congress.....	H. Doc. 260
	Bureau of Indian Affairs.....	H. Doc. 261

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1932		
March		
7	Transmitting supplemental appropriations requests for: Air Mail Service.....	S. Doc. 67
	Post Office Department.....	S. Doc. 68
9	Transmitting supplemental appropriations requests for the House of Representatives.....	H. Docs. 267, 268
12	Transmitting a proposed change in the budget for the Department of the Navy public works.....	H. Doc. 270
12	Transmitting a message from the Secretary of War and additional documents of the War Policies Commission.....	H. Doc. 271
14	Requesting an immediate appropriation for river and harbor works.....	H. Doc. 272
15	Transmitting supplemental appropriations requests for the Office of the Architect of the Capitol.....	H. Docs. 274, 275
17	Transmitting supplemental appropriations requests for: Unemployment relief in the District of Columbia and a proposed change in the budget for the Municipal Center, District of Columbia.....	H. Doc. 277
	House of Representatives.....	H. Doc. 278
18	Transmitting proposed changes in: Existing appropriations and the budget for public schools of the District of Columbia....	H. Doc. 280
	Budget for the Veterans' Administration.....	H. Doc. 281
18	Transmitting supplemental appropriation request to pay expenses of U.S. participation in the Second Polar Year program and a proposed change in an existing appropriation for a statue of Lief Ericsson.	H. Doc. 282

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
<i>1932</i>		
<i>March</i>		
22	Transmitting supplemental appropriation request for the Government Printing Office.....	H. Doc. 283
24	Transmitting supplemental appropriation request for the Patent Office.....	H. Doc. 284
29	Transmitting supplemental appropriation request for health-department dispensaries, District of Columbia.....	H. Doc. 285
30	Transmitting a message from the chairman of the Philippine Civil Union and Federation of Labor... ..	
30	Transmitting appropriation request to pay expenses of U.S. participation in the Seventh International Congress of Military Medicine and Pharmacy, Madrid, Spain, 1933.....	S. Doc. 74
30	Transmitting a proposed change in existing appropriation for establishing agricultural credit corporations.....	H. Doc. 288
<i>April</i>		
1	Returning for technical corrections S. 332, entitled "An Act To transfer certain jurisdiction from the War Department in the management of Indian country".....	
2	Transmitting appropriation request to continue oil lands litigation.....	H. Doc. 290
2	Transmitting supplemental appropriation request for the Office of the Architect of the Capitol.....	H. Doc. 291
6	Transmitting supplemental appropriation request for the Office of the Architect of the Capitol.....	H. Doc. 292
8	Transmitting supplemental appropriation request for the House of Representatives.....	H. Doc. 311

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1932		
<i>April</i>		
12	Transmitting appropriation request to pay expenses of U.S. participation in the Ninth Pan American Sanitary Conference, Buenos Aires, 1932.	S. Doc. 80
15	Transmitting supplemental appropriation request for the Office of the Architect of the Capitol.	H. Doc. 312
19	Requesting immediate appropriation for construction of border gates at San Ysidro, Calif.	S. Doc. 83
19	Transmitting supplemental appropriation request for the Senate.	H. Doc. 314
21	Transmitting appropriation request to recompense Stelio Vassiliadis, former vice consul of Spain, for representing the United States at Kiev, Russia, 1918-1920.	S. Doc. 85
25	Returning for technical corrections S. 3584, entitled "An Act To require all insurance corporations formed under the provisions of Ch. XVIII of the Code of Law of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes"	
<i>May</i>		
10	Transmitting deficiency appropriation request for the Department of Justice.	H. Doc. 318
10	Transmitting deficiency and supplemental appropriations requests and a proposed change in an existing appropriation for the Department of State.	H. Doc. 320
12	Transmitting deficiency appropriation request for the Department of the Navy.	H. Doc. 323
13	Transmitting reports of U.S. participation in the International Exposition of Colonial and Overseas Countries, Paris, France, 1931.	S. Doc. 94

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1932		
May		
13	Transmitting supplemental appropriations requests for:	
	Department of Commerce.....	H. Doc. 324
	House of Representatives.....	H. Doc. 325
	Department of Labor.....	H. Doc. 327
	Department of Agriculture.....	H. Doc. 334
	Office of the Architect of the Capitol.....	H. Doc. 335
	Veterans' Administration.....	H. Doc. 336
13	Transmitting appropriations requests to pay for:	
	Claims allowed by the General Accounting Office.....	H. Docs. 326, 328
	Damages due to collision by naval vessels.....	H. Doc. 329
	Judgments rendered by the Court of Claims.....	H. Doc. 330
	Judgments rendered by the District Courts.....	H. Doc. 331
	Claims for damages to private property.....	H. Doc. 332
	Claims settled by the Commissioners of the District of Columbia.....	H. Doc. 333
14	Transmitting supplemental appropriation request for the Bureau of Immigration.....	H. Doc. 337
17	Transmitting supplemental appropriations requests and proposed changes in existing appropriations for:	
	Department of War.....	H. Doc. 338
	Department of the Treasury.....	H. Doc. 340
17	Transmitting supplemental and deficiency appropriation request for the Department of the Interior...	H. Doc. 339
17	Transmitting supplemental and deficiency appropriation request and a proposed change in an existing appropriation for the District of Columbia.....	H. Doc. 341
25	Transmitting supplemental appropriation request for the House of Representatives.....	H. Doc. 346

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1932		
May		
26	Transmitting supplemental appropriation request for continuing construction of the Boulder Dam project.....	H. Doc. 344
27	Transmitting supplemental appropriation request for the House of Representatives.....	H. Doc. 345
June		
3	Transmitting deficiency appropriation request for the Department of the Treasury.....	H. Doc. 349
3	Transmitting supplemental appropriation request for the Department of War.....	H. Doc. 350
6	Transmitting supplemental appropriation request for the Senate.....	H. Doc. 351
8	Transmitting supplemental appropriation request for the House of Representatives.....	H. Doc. 352
9	Transmitting a proposed change in an existing appropriation for the Office of the Architect of the Capitol.....	H. Doc. 353
13	Transmitting proposed changes in existing appropriations for the Department of the Interior.....	S. Doc. 104
14	Transmitting proposed changes in existing appropriations for: General and Special Claims Commissions, United States and Mexico..... Office of the Supervising Architect..... United States Marine Corps.....	S. Doc. 106 S. Doc. 107 S. Doc. 108
16	Transmitting supplemental appropriation request for the Department of Labor.....	S. Doc. 110
18	Transmitting a proposed change in an existing appropriation for Yakima Project in Washington....	S. Doc. 112

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1932		
June		
18	Transmitting supplemental appropriation request for the House of Representatives.....	S. Doc. 114
20	Transmitting appropriations requests to pay for:	
	Damages to private property.....	S. Doc. 113
	Judgments rendered by the Court of Claims.....	S. Doc. 115
	Judgments rendered by the District Courts.....	S. Doc. 116
	Damages due to collision by naval vessels.....	S. Doc. 117
	Claims allowed by the General Accounting Office.....	S. Docs. 118, 119
21	Transmitting supplemental appropriation request for the House of Representatives.....	S. Doc. 120
22	Transmitting proposed change in existing appropriation for the Commission on Construction of Highway, United States and Canada.....	S. Doc. 121
22	Transmitting supplemental appropriation request for the Bureau of Indian Affairs.....	S. Doc. 122
23	Transmitting laws and resolutions passed by the Ninth Philippine Legislature, July 16-Nov. 9, 1931.....	.....
23	Transmitting supplemental appropriation request for health-department dispensaries, District of Columbia.....	S. Doc. 124
23	Transmitting supplemental appropriation request for flood control in the Palo Verde Valley of California.....	S. Doc. 125
24	Transmitting request for appropriation to pay for an oil portrait of former President Coolidge.....	S. Doc. 127
27	Transmitting supplemental appropriation request for the Office of the Architect of the Capitol.....	S. Doc. 128

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1932		
June		
29	Transmitting laws and resolutions passed by the 12th Legislature of Puerto Rico, Nov. 25-Dec. 9, 1931, and Feb. 8-Apr. 15, 1932.....	
29	Transmitting request for appropriation to pay expenses of U.S. participation in the International Institute of Agriculture, Rome, Italy.....	S. Doc. 130
July		
5	Transmitting supplemental appropriation request for the Federal Farm Board to enable it to distribute Government-owned wheat and cotton to the Red Cross.....	H. Doc. 356
16	Transmitting supplemental appropriation request for the Federal Home Loan Bank Board.....	H. Doc. 363
72d Congress, 2d Session		
December		
8	Transmitting statement showing vacancies filled by appointment of employees of a lower grade.....	H. Doc. 942
8	Transmitting franchises granted by the Public Service Commission of Puerto Rico.....	
8	Transmitting laws enacted by the Puerto Rican Legislature during its special sessions, June 21-July 4 and Oct. 18-21, 1932.....	
9	Transmitting deficiency and supplemental appropriation requests for the legislative establishment, executive departments, and independent establishments.....	H. Doc. 495
13	Transmitting supplemental appropriations requests for:	
	Senate.....	H. Doc. 497
	Department of Agriculture.....	H. Doc. 498

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1932		
December		
15	Transmitting appropriations requests to pay for:	
	Damages to private property	H. Docs. 502, 509
	Damages due to collision by naval vessels	H. Doc. 503
	Judgments rendered by the Court of Claims	H. Doc. 504
	Continuation of oil lands litigation	H. Doc. 506
	Claims allowed by the General Accounting Office	H. Docs. 507, 510
15	Transmitting supplemental appropriation request for the Employment Service	H. Doc. 505
16	Transmitting appropriation request to pay judg- ments rendered by the District Courts	H. Doc. 508
19	Transmitting supplemental and deficiency appropria- tion requests for the Department of Justice	H. Doc. 512
20	Transmitting supplemental appropriation request for the Office of the Architect of the Capitol	H. Doc. 513
22	Transmitting proposed change in an existing approp- riation for the Bureau of Immigration	H. Doc. 516
23	Transmitting supplemental estimates of appropria- tions for the Senate	S. Doc. 157
1933		
January		
3	Transmitting supplemental appropriation request for the House of Representatives	S. Doc. 160
3	Transmitting supplemental appropriation request to pay expenses of U.S. participation in the General Disarmament Conference	S. Doc. 159
3	Transmitting appropriation request to pay expenses of U.S. participation in an International Monetary and Economic Conference, London, 1933	H. Doc. 517

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1933		
January		
4	Transmitting a proposed reduction in the budget for the Veterans' Administration.....	H. Doc. 518
4	Transmitting a supplemental appropriation request for the Library of Congress.....	H. Doc. 519
6	Transmitting supplemental appropriation request for the Office of the Architect of the Capitol.....	H. Doc. 521
6	Transmitting appropriations requests to pay for:	
	Damages to private property.....	S. Doc. 162
	Judgments rendered by the Court of Claims.....	S. Doc. 164
	Claims allowed by the General Accounting Office.....	S. Doc. 165
	Damages due to collision by naval vessels.....	S. Doc. 166
8	Transmitting appropriation request to pay judgment rendered in a special case by the District Court for the Southern District of New York.....	S. Doc. 163
9	Transmitting supplemental appropriation request for the Office of the Architect of the Capitol.....	S. Doc. 167
10	Transmitting appropriation request to pay damages to private property.....	S. Doc. 168
12	Transmitting supplemental appropriation request for the Botanic Garden.....	H. Doc. 523
13	Transmitting supplemental appropriation request for the House of Representatives.....	H. Doc. 525
14	Transmitting laws enacted by the 12th Puerto Rican Legislature in its special session, Nov. 11-16, 1932.	
14	Transmitting supplemental appropriation request for the Mt. Rushmore National Memorial Commission.....	H. Doc. 526

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1933		
January		
21	Transmitting appropriation request to pay expenses of U.S. participation in the Third International Conference on Private Aerial Law, Rome, 1933....	S. Doc. 175
26	Transmitting proposed change in the budget of the Government Printing Office.....	H. Doc. 532
30	Transmitting proposed change in an existing appropriation for the Department of State.....	H. Doc. 536
February		
2	Transmitting supplemental appropriation request for procurement of a portrait of John Nance Garner....	H. Doc. 537
7	Transmitting appropriation request to reimburse Foreign Service officers for personal losses.....	H. Doc. 539
8	Transmitting supplemental and deficiency appropriation requests for the Department of the Interior....	H. Doc. 540
8	Transmitting supplemental appropriation request for the House of Representatives.....	H. Doc. 541
9	Transmitting supplemental appropriation request to enable the Federal Farm Board to distribute Government-owned cotton to the Red Cross and other organizations.....	H. Doc. 542
10	Transmitting appropriations requests to pay for: Claims allowed by the General Accounting Office..... Judgments rendered by the District Courts..... Judgments rendered by the Court of Claims..... Damages to private property.....	H. Doc. 543 H. Doc. 544 H. Doc. 546 H. Doc. 547
10	Transmitting deficiency and supplemental appropriation requests for the Veterans' Administration, Department of Labor, and the Department of the Navy, and a proposed change in an existing appropriation for the Interstate Commerce Commission.	H. Doc. 545

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1933		
February		
10	Transmitting deficiency and supplemental appropriation requests for the Bureau of Indian Affairs and a proposed authorization for an expenditure from Indian tribal funds.....	H. Doc. 548
10	Transmitting deficiency and supplemental appropriation requests for the Department of State.....	H. Doc. 549
13	Transmitting deficiency and supplemental appropriation requests for certain executive departments....	H. Doc. 550
13	Transmitting deficiency and supplemental appropriation requests and a proposed change in an existing appropriation for the District of Columbia.....	H. Doc. 551
13	Transmitting supplemental appropriation request for the Senate.....	H. Doc. 552
13	Transmitting appropriation request to pay claims settled by the Commissioners of the District of Columbia.....	H. Doc. 553
14	Transmitting appropriations requests to pay: Damages to private property.....	H. Doc. 554
	Damages due to collision by naval vessels.....	H. Doc. 556
14	Transmitting a proposed change in an existing appropriation for the Department of the Treasury.....	H. Doc. 555
16	Transmitting appropriation request to pay awards to British nationals by the Commission for Adjustment of British Claims.....	H. Doc. 557
18	Transmitting supplemental appropriation request for the House of Representatives.....	H. Doc. 558
18	Transmitting supplemental appropriation request and a proposed change in an existing appropriation for the Office of the Architect of the Capitol.....	H. Doc. 559

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1933		
February		
27	Transmitting supplemental appropriations requests for:	
	Department of the Interior.....	S. Doc. 192
	Department of State.....	S. Doc. 194
	Unemployment relief in the District of Columbia.	S. Doc. 196
27	Transmitting deficiency appropriations requests for:	
	Department of Justice.....	S. Doc. 193
	National Advisory Committee for Aeronautics..	S. Doc. 195
27	Transmitting appropriations requests to pay:	
	Claims settled by the Commissioners of the District of Columbia.....	S. Doc. 197
	Claims allowed by the General Accounting Office.....	S. Doc. 198, 203
	Damages to private property.....	S. Doc. 199
	Judgments rendered by the District Courts.....	S. Doc. 200
	Judgments rendered by the Court of Claims.....	S. Doc. 201
	Judgment rendered in a special case by the District Court for the Middle District of Alabama.....	S. Doc. 202
28	Transmitting supplemental appropriations requests for:	
	District of Columbia.....	S. Doc. 204
	Land acquisition at Camp Bullis, Tex.....	S. Doc. 207
	Office of the Architect of the Capitol.....	S. Doc. 208
28	Transmitting appropriation request to pay damages to private property.....	S. Doc. 205
March		
1	Transmitting supplemental appropriation request for the Senate.....	S. Doc. 211
1	Transmitting appropriation request to pay judgment in the case of the <i>Pocono Pines Assembly Hotels Co. v. the United States</i>	S. Doc. 213

Appendix B

<i>Date</i>	<i>Subject</i>	<i>Document No.</i>
1933		
March		
2	Transmitting supplemental appropriations requests for: Office of the Architect of the Capitol.....	S. Doc. 218
	Remodeling and repairs at the Indian Boarding School, Chilocco, Okla.....	S. Doc. 219
3	Transmitting appropriation request to pay claim allowed by the General Accounting Office.....	S. Doc. 220

Appendix C—Presidential Proclamations and Executive Orders

[The texts of these documents are printed in "Proclamations and Executive Orders, Herbert Hoover, 1929–1933."]

PROCLAMATIONS

<i>No.</i>	<i>Date</i>	<i>Subject</i>
	1932	
1984	Jan. 8	Public lands, Hawaii, title transfer to
1985	Jan. 11	Rocky Mountain National Park, Colo., lands added
1986	Feb. 1	George Washington, bicentennial of birth
1987	Feb. 12	Director General of Railroads, appointment of Ogden L. Mills
1988	Feb. 12	Director General of Railroads, Ogden L. Mills, designated the agent in actions arising from Federal control of transportation systems
1989	Feb. 12	Waterfowl, migratory
1990	Feb. 23	Copyright benefits, extension to Greece
1991	Feb. 25	Bandelier National Monument, N. Mex., lands added
1992	Mar. 10	Emergency Board, Louisiana and Arkansas Railway Co., labor disputes
1993	Mar. 15	Merchandise in bonded warehouses
1994	Mar. 17	Great Sand Dunes National Monument, Colo., establishment
1995	Mar. 21	Child Health Day
1996	Apr. 14	Bonded carpet wool and drawback exportations

Appendix C

<i>No.</i>	<i>Date</i>	<i>Subject</i>
	1932	
1997	Apr. 25	Green Mountain National Forest, Vt., establishment
1998	May 27	Mesa Verde National Park, Colo., lands added
1999	June 1	Scotts Bluff National Monument, Nebr., lands added
2000	June 6	South Carolina, closed area under Migratory Bird Treaty Act
2001	June 11	Infants' wool knit outerwear, change in rates of duty
2002	June 18	Alsimin, ferrosilicon aluminum, and ferroaluminum silicon, decrease in rate of duty
2003	June 30	Waterton-Glacier International Peace Park, Mont., designation of lands to
2004	July 20	Migratory game bird regulations, amendment
2005	Aug. 13	Yosemite National Park, Calif., lands added
2006	Aug. 18	Virgin Islands, extension of period for establishment of an adequate shipping service, extension of coastwise laws deferred
2007	Aug. 19	Inedible gelatin and glue, change in rate of duty
2008	Aug. 19	Sheepswool sponges, decrease in rate of duty
2009	Sept. 2	National Fire Prevention Week, 1932
2010	Sept. 12	Brig. Gen. Casimir Pulaski Memorial Day
2011	Sept. 23	Petrified Forest National Monument, Ariz., lands added
2012	Sept. 26	Bear River Migratory Bird Refuge, Utah, lands added
2013	Oct. 20	Yellowstone National Park, Mont., lands added
2014	Nov. 3	Armistice Day, 1932
2015	Nov. 3	Thanksgiving Day, 1932

Appendix C

<i>No.</i>	<i>Date</i>	<i>Subject</i>
<i>1932</i>		
2016	Dec. 8	Reconstruction Finance Corporation, postponing date of expiration of lending power
2017	Dec. 14	Upholsterers' nails, chair glides, and thumb tacks, increase in rate of duty
2018	Dec. 14	Cocoa-fiber mats, increase in rate of duty
2019	Dec. 14	Cotton velvets, increase in rate of duty
2020	Dec. 14	Folding rules of aluminum or of wood, increase in rate of duty
2021	Dec. 14	Prism-binoculars, increase in rate of duty
2022	Dec. 22	Grand Canyon National Monument, Ariz., establishment
2023	Dec. 23	Merchandise in bonded warehouse, bonded carpet wool and camel hair, and drawback exportations
<i>1933</i>		
2024	Jan. 5	Calvin Coolidge, death
2025	Jan. 18	White Sands National Monument, N. Mex., establishment
2026	Jan. 31	Wasatch National Forest, Utah, lands added
2027	Feb. 1	Rubber-soled and rubber footwear, increase in rate of duty
2028	Feb. 11	Death Valley National Monument, Calif., establishment
2029	Feb. 14	Senate, convened in special session
2030	Feb. 18	Ashley National Forest, Utah and Wyoming, lands added
2031	Feb. 21	Carlsbad Caverns National Park, N. Mex., lands added
2032	Mar. 1	Saguaro National Monument, Ariz., establishment
2033	Mar. 2	Black Canyon of the Gunnison National Monument, Colo., establishment

Appendix C

<i>No.</i>	<i>Date</i> 1933	<i>Subject</i>
2034	Mar. 2	Sperm oil, crude, and spermaceti wax, decrease in rates of duty
2035	Mar. 2	Nicolet National Forest, Wis., establishment
2036	Mar. 3	Canyon De Chelly National Monument, Ariz., amendment of land description
2037	Mar. 3	Colorado National Monument, Colo., lands added

EXECUTIVE ORDERS

<i>No.</i>	<i>Date</i> 1932	<i>Subject</i>
5771	Jan. 4	Hawaii, Schofield Barracks Military Reservation, restoration of portion of lands for a road right-of-way
5772	Jan. 11	Uintah Railway Co., authorization for a railroad right-of-way across lands withdrawn in Utah
5773	Jan. 11	Consular Regulations, amendment
5774	Jan. 13	Civil Service Rules, Schedule A, Subdivision XVIII, Paragraph 12, amendment
5775	Jan. 15	Miners in the Bureau of Mines, transferred from the noncompetitive to the competitive service
5776	Jan. 18	Civil Service Rule VI, Paragraph 1, amendment
5777	Jan. 19	Civil Service Rules, Schedule B, Subdivision IV, Paragraph 3, amendment
5778	Jan. 19	Payment of prevailing rate of wages in public building contracts, stipulations
5779	Jan. 21	Tongass National Forest, Alaska, exclusion of lands from, and such lands opened to entry
5780	Jan. 25	Arizona and Utah, restoration of lands withdrawn for Public Water Reserve No. 34, Arizona No. 5 and Public Water Reserve No. 1, Utah No. 1

Appendix C

<i>No.</i>	<i>Date</i>	<i>Subject</i>
	1932	
5781	Jan. 28	Florence C. Brock, exemption from civil service rules on appointment
5782	Jan. 28	Hutton Lake Migratory Bird Refuge, Wyo., enlargement
5783	Jan. 29	Bamforth Lake Migratory Bird Refuge, Wyo., enlargement
5784	Jan. 29	Alaska, land withdrawal for use by the Alaska Road Commission
5785	Jan. 29	New Mexico, revocation of lands withdrawn for resurvey
5786	Jan. 30	Defensive sea area off the coast of North Carolina, establishment
5787	Feb. 2	Civil Service Rules, Schedule A, Subdivision VI, amendment
5788	Feb. 2	Panama Canal Zone, regulations governing the size, weight, and speed of motor vehicles on public highways
5789	Feb. 2	California, land withdrawal for resurvey
5790	Feb. 2	New Mexico, land withdrawal for resurvey
5791	Feb. 2	Colorado, land withdrawal for resurvey
5792	Feb. 2	Nevada, land withdrawal for resurvey
5793	Feb. 3	Wyoming, revocation of lands withdrawn for resurvey and such lands opened to entry
5794	Feb. 5	California, land withdrawal for a lookout station
5795	Feb. 9	Wyoming, restoration of lands withdrawn for Power Site Reserve No. 190
5796	Feb. 10	Illinois and Wisconsin, land withdrawal for classification and pending legislation

Appendix C

<i>No.</i>	<i>Date</i> 1932	<i>Subject</i>
5797	Feb. 11	Wyoming, revocation of lands withdrawn for resurvey and such lands opened to entry
5798	Feb. 11	Oregon, restoration of lands withdrawn for Power Site Reserve No. 660
5799	Feb. 15	McClellan Peak lookout site, Nev., land withdrawal for the administration of Tahoe National Forest
5800	Feb. 17	Montana, transfer of lands from Gallatin and Beartooth National Forests to Absaroka National Forest
5801	Feb. 17	Montana and South Dakota, transfer of lands from Absaroka and Beartooth National Forests to Custer National Forest
5802	Feb. 17	Sinclair A. Wilson, exemption from civil service rules on appointment
5803	Feb. 19	Oregon, land withdrawal for a fish cultural station
5804	Feb. 23	Ann Halloran, exemption from civil service rules on appointment
5805	Feb. 23	New Mexico, land withdrawal for resurvey
5806	Feb. 25	Alaska, restoration of lands withdrawn for townsite purposes and such lands to be used for an airport
5807	Feb. 25	Colorado, land withdrawal for resurvey
5808	Feb. 25	Long Lake Migratory Bird Refuge, N. Dak., enlargement
5809	Feb. 27	New Mexico, revocation of lands withdrawn for resurvey and such lands to be included in the Santa Fe National Forest
5810	Feb. 27	Utah, revocation of lands withdrawn for resurvey
5811	Feb. 27	Wanda Coolidge Carver, exemption from civil service rules on appointment

Appendix C

<i>No.</i>	<i>Date</i> 1932	<i>Subject</i>
5812	Feb. 29	Consular Regulations, amendment
5813	Feb. 29	Alaska, land withdrawal for investigation, examination, and classification of coal lands
5814	Mar. 1	Ocala National Forest and Ocala National Game Refuge, Fla., enlargements
5815	Mar. 9	Alaska, land withdrawal for investigation, examination, and classification of coal lands
5816	Mar. 9	Montana, restoration of lands withdrawn for Power Site Reserve No. 155
5817	Mar. 10	Civil Service Rules, Schedule B, Subdivision III, Paragraph 2, amendment
5818	Mar. 10	Washington, land withdrawal for classification and possible inclusion in a migratory bird refuge
5819	Mar. 12	Colorado, revocation of lands withdrawn for resurvey and such lands opened to entry
5820	Mar. 16	Arkansas, revocation of lands withdrawn for resurvey and such lands to be included in Ouachita National Forest
5821	Mar. 17	Joseph H. Hopkins, suspension of age limit requirement to permit appointment
5822	Mar. 19	Fred Scott, exemption from civil service rules on appointment
5823	Mar. 21	Colorado, revocation of lands withdrawn for resurvey and such lands opened to entry
5824	Mar. 22	Income tax returns, inspection
5825	Mar. 26	Foreign Service, leaves of absence
5826	Mar. 28	Colorado National Forest, Colo., name changed to Theodore Roosevelt National Forest

Appendix C

<i>No.</i>	<i>Date</i> <i>1932</i>	<i>Subject</i>
5827	Mar. 28	California, land withdrawal for military purposes
5828	Mar. 30	Nevada, land withdrawal for naval ammunition depot
5829	Mar. 30	New Mexico, land withdrawal for resurvey
5830	Apr. 4	War Minerals Relief Act, authorization given the Secretary of the Interior to appoint persons, without compliance with civil service rules, to administer the act
5831	Apr. 4	Ruth Bascot Dartt, exemption from civil service rules on appointment
5832	Apr. 7	Fort St. Michael Military Reservation, Alaska, reserved for use by the Justice Department
5833	Apr. 8	Minnesota, land withdrawal for classification and possible inclusion in a national forest
5834	Apr. 8	Montana, transfer of lands from Jefferson National Forest to Lewis and Clark National Forest
5835	Apr. 13	Customs ports of entry, extension of limits: Ambrose, N. Dak.; St. John, N. Dak.; Noyes, Minn.; and Blaine, Wash.
5836	Apr. 13	California and Nevada, land withdrawal pending definite location of right-of-way for transmission lines from Boulder Canyon Project to Los Angeles
5837	Apr. 13	Tariff of United States Consular Fees, amendment
5838	Apr. 18	Oregon, land withdrawal pending legislation
5839	Apr. 19	Ralph A. Vestal, exemption from civil service rules on appointment
5840	Apr. 21	New Mexico, revocation of lands withdrawn for resurvey and such lands to be included in Santa Fe National Forest

Appendix C

<i>No.</i>	<i>Date</i> <i>1932</i>	<i>Subject</i>
5841	Apr. 23	Suislaw National Forest, Oreg., exclusion of lands from
5842	Apr. 28	Emilio del Toro, designation as Acting Judge of the District Court of the United States for Porto Rico
5843	Apr. 28	California, land withdrawal for classification and pending legislation; revocation of lands withdrawn for Indian allotments
5844	Apr. 28	Michigan, revocation of lands withdrawn for resurvey and such lands to be included in Huron National Forest
5845	Apr. 28	Minnesota, revocation of lands withdrawn for resurvey and such lands to be included in Superior National Forest
5846	May 2	Colorado, land withdrawal for classification and possible inclusion in the Rocky Mountain National Park
5847	May 7	Warren Benjamin, exemption from civil service rules on appointment
5848	May 16	Tariff of United States Consular Fees, amendment
5849	May 19	Panama Canal Zone, lands opposite Balboa, transfer of jurisdiction to the Navy Department for a naval base
5850	May 25	Tucson, Ariz., municipal aviation field, transfer of jurisdiction to the Government for military purposes
5851	May 28	Nesta Stephens Long, exemption from civil service rules on appointment
5852	June 1	Gladys L. Knight, exemption from civil service rules on appointment
5853	June 3	George H. Rolfe, suspension of age limit requirement to permit examination
5854	June 3	Northern Pacific Halibut Fishery, establishment of a patrol for protection

Appendix C

<i>No.</i>	<i>Date</i> <i>1932</i>	<i>Subject</i>
5855	June 6	Radio frequencies, assignment to Government radio stations
5855A	June 6	Radio frequencies, assignment to Government radio stations
5856	June 11	Tongass National Forest, Alaska, exclusion of lands from, and such lands opened to entry
5857	June 16	Consular Regulations, amendment
5858	June 17	Semidi Islands Wildlife Refuge, Alaska, establishment
5859	June 21	Civil Service Rules, Schedule A, Subdivision III, Paragraph 10, revocation
5860	June 22	Passports, regulations governing the granting and issuing
5861	June 23	Eugene R. Capozio, exemption from civil service rules on appointment
5862	June 23	Colorado, land withdrawal for resurvey
5863	June 23	Nevada, transfer of lands from the Toiyabe National Forest to Nevada National Forest
5864	June 23	Oregon, land withdrawal for lookout station
5865	June 27	Flight regulations for various branches of the military
5866	June 28	Rates of pay and allowances of enlisted personnel of the various services
5867	June 28	Shenandoah National Forest, Virginia and West Virginia, name changed to George Washington National Forest, Virginia, and West Virginia
5868	June 28	California, restoration of lands withdrawn for Reservoir Site Reserve No. 17
5869	June 30	Aliens, documents necessary to enter the United States

Appendix C

<i>No.</i>	<i>Date</i> <i>1932</i>	<i>Subject</i>
5870	June 30	Government Travel Regulations, standardization and modification
5871	June 30	Sick leave of absence, regulations governing
5872	June 30	Retirement, compulsory, exemption of certain individuals
5873	June 30	Retirement, compulsory, exemption of certain individuals
5874	June 30	Retirement, compulsory, exemption of certain individuals
5875	June 30	Retirement, compulsory, exemption of certain individuals
5876	June 30	Montana, restoration of lands withdrawn for coal, Montana No. 7 and Montana No. 11
5877	July 5	Colorado, revocation of lands withdrawn for resurvey and such lands opened to entry
5878	July 6	Rates of rental and subsistence allowances for officers of the various services
5879	July 7	A. Blondell Howe, exemption from civil service rules on appointment
5880	July 9	Panama Canal Zone, delimiting of judicial districts
5881	July 9	Retirement, compulsory, exemption of certain individuals
5882	July 9	Crater National Forest, Oreg., name changed to Rogue River National Forest
5883	July 11	Colorado, revocation of lands withdrawn for resurvey and such lands opened to entry
5884	July 11	Wyoming, revocation of lands withdrawn for resurvey and such lands opened to entry
5885	July 12	California National Forest, Calif., name changed to Mendocino National Forest
5886	July 12	Wyoming, land withdrawal for resurvey

Appendix C

<i>No.</i>	<i>Date</i>	<i>Subject</i>
	<i>1932</i>	
5887	July 14	Administrative furloughs, regulations governing
5888	July 16	Panama Canal Zone, regulations governing the transportation of liquors over highways and waterways
5889	July 16	San Carlos Indian irrigation project, Ariz., land withdrawal for project
5890	July 16	California, revocation of lands withdrawn for air mail beacon sites and landing fields
5891	July 16	Oregon, land withdrawal for classification and possible inclusion in a migratory bird refuge
5892	July 20	Radio Division of the Commerce Department, transferred to the Federal Radio Commission
5893	July 26	Lamar Costello, exemption from civil service rules on appointment
5894	July 26	Colorado, land withdrawal for resurvey
5895	July 26	Florida, revocation of lands withdrawn for resurvey
5896	July 29	Retirement, compulsory, exemption of certain individuals
5897	July 30	William Bertrand Acker, exemption from compulsory retirement
5898	Aug. 2	Arizona, land withdrawal pending legislation
5899	Aug. 2	Wyoming, restoration of lands withdrawn for Public Water Reserve No. 2, Wyoming No. 1
5900	Aug. 10	Oregon, land withdrawal for classification and pending legislation
5901	Aug. 18	Civil Service Rules, Schedule A, Subdivision IX, amendment
5902	Aug. 18	California, land withdrawal for Public Water Reserve No. 145

Appendix C

<i>No.</i>	<i>Date</i> <i>1932</i>	<i>Subject</i>
5903	Aug. 18	Nevada, land withdrawal for classification and possible inclusion in a migratory bird refuge
5904	Aug. 18	Wyoming, land withdrawal for use by the Navy Department for Naval Petroleum Reserve No. 3
5905	Aug. 18	Sarah L. Curtiss, exemption from civil service rules on appointment
5906	Aug. 18	California, Federal Power Commission, authorization to issue a license for a project on Reservoir Site Reserve No. 17
5907	Aug. 18	Montana, New Mexico, Oregon, and Wyoming, land withdrawal for Public Water Reserve No. 146
5908	Aug. 22	California, restoration of lands withdrawn for municipal water supply purposes and right-of-way for a water conduit for Los Angeles
5909	Aug. 22	New Mexico, land withdrawal for classification and possible inclusion in a wildlife refuge
5910	Aug. 23	Tariff of United States Consular Fees, amendment
5911	Aug. 24	John W. Ginder, exemption from compulsory retirement
5912	Aug. 24	John P. McDowell, exemption from compulsory retirement
5913	Aug. 25	Hot Springs National Park, Ark., reservation of lots
5914	Aug. 26	Long Lake Migratory Bird Refuge, N. Dak., enlargement
5915	Aug. 31	California, restoration of lands withdrawn for Power Site Reserve No. 471
5916	Sept. 2	California, restoration of lands withdrawn for Power Site Reserves No. 130, 238, and 387
5917	Sept. 2	Albert D. Davis, exemption from compulsory retirement

Appendix C

<i>No.</i>	<i>Date</i>	<i>Subject</i>
	<i>1932</i>	
5918	Sept. 7	Civil Service Commission, authorization to test the qualifications of applicants to the United States Military and Naval Academies
5919	Sept. 8	Oregon, restoration of lands withdrawn for Power Site Reserve No. 661
5920	Sept. 15	New Mexico, land withdrawal for resurvey
5921	Sept. 15	Retirement, compulsory, exemption of certain individuals
5922	Sept. 17	Civil Service Rules, Schedule B, amendment
5923	Sept. 20	Oregon, land withdrawal for resurvey
5924	Sept. 20	Federal employees, dropped or furloughed for reduction of force, priority in the filling of vacancies
5925	Sept. 21	Idaho, transfer of lands from Boise and Challis National Forests to Sawtooth National Forest and from Sawtooth National Forest to Boise National Forest
5926	Sept. 23	Idaho, restoration of lands withdrawn for Power Site Reserves No. 102, 295, and 668
5927	Sept. 28	California, restoration of lands withdrawn for Power Site Reserve No. 706
5928	Sept. 29	La Pine administrative site, Oreg., lands reserved for the Forest Service for the administration of Deschutes National Forest
5929	Oct. 1	Wisconsin, land withdrawal for classification and possible inclusion in a national forest
5930	Oct. 6	Civil Service Rules, Schedule A, Subdivision VII, amendment
5931	Oct. 8	Round Top Military Reservation, Hawaii, restoration of lands withdrawn for right-of-way and withdrawal of other lands for a right-of-way

Appendix C

<i>No.</i>	<i>Date</i> 1932	<i>Subject</i>
5932	Oct. 10	New Mexico, revocation of lands withdrawn for resurvey and such lands opened to entry
5933	Oct. 10	Wyoming, revocation of lands withdrawn for resurvey and such lands opened to entry
5934	Oct. 12	Colorado, revocation of lands withdrawn for resurvey and such lands opened to entry
5935	Oct. 14	Wyoming, revocation of lands withdrawn for resurvey and such lands opened to entry
5936	Oct. 18	California, land withdrawal for classification and possible inclusion in a national forest
5937	Oct. 18	Idaho, restoration of lands withdrawn for Power Site Reserves No. 8 and 223
5938	Oct. 24	Harney National Forest, S. Dak., enlargement
5939	Oct. 25	New Mexico, revocation of lands withdrawn for resurvey
5940	Oct. 26	William Bertrand Acker, exemption from compulsory retirement
5941	Oct. 26	New Mexico, restoration of lands withdrawn for Power Site Reserve No. 65
5942	Oct. 29	New Mexico, land withdrawal for resurvey
5943	Oct. 29	Colorado, revocation of lands withdrawn for resurvey and such lands opened to entry
5944	Nov. 1	Nevada, revocation of lands withdrawn for resurvey and such lands opened to entry
5945	Nov. 3	Tule Lake Wildlife Refuge, Calif., establishment
5946	Nov. 16	Retirement, compulsory, exemption of certain individuals
5947	Nov. 16	Tongass National Forest, Alaska, exclusion of lands from, and such lands opened to entry

Appendix C

<i>No.</i>	<i>Date</i> <i>1932</i>	<i>Subject</i>
5948	Nov. 16	Michigan, modification of lands withdrawn pending legislation to permit the State to select lands
5949	Nov. 16	Montana and Wyoming, land withdrawal for an approach road to Yellowstone National Park
5950	Nov. 19	Tongass National Forest, Alaska, exclusion of lands from, and such lands opened to entry
5951	Nov. 22	George R. Wales, exemption from compulsory retirement
5952	Nov. 23	Army rations, kinds and proportions
5953	Nov. 23	Indian reservations, extension of trust period on allotments
5954	Nov. 26	Retirement, compulsory, exemption of certain individuals
5955	Nov. 30	Gertrude Lamb, extension of trust period on allotment
5956	Dec. 1	Instructions to Diplomatic Officers, granting of unsanctioned political asylum, regulations
5957	Dec. 7	New Mexico, restoration of lands withdrawn for Power Site Reserve No. 547
5958	Dec. 8	Arizona, land withdrawal for resurvey
5959	Dec. 9	Administrative accounting, auditing, and business methods, consolidation and coordination of governmental activities
5960	Dec. 9	United States commerce, consolidation and coordination of governmental activities
5961	Dec. 9	Labor activities, consolidation and coordination of governmental activities
5962	Dec. 9	Interior Department, consolidation and grouping of education, health, and recreation activities

Appendix C

<i>No.</i>	<i>Date</i> <i>1932</i>	<i>Subject</i>
5963	Dec. 9	Land utilization agencies, consolidation and grouping in the Agriculture Department
5964	Dec. 9	Public works activities, consolidation and grouping in the Interior Department
5965	Dec. 9	Merchant marine activities, consolidation and grouping in the Commerce Department
5966	Dec. 9	Coast Guard Service, unification of the border patrols, combining of the Immigration Border Patrol and the Customs Border Patrol
5967	Dec. 9	Veterans' Administration, transfer of certain functions to the Justice Department
5968	Dec. 9	Alien Property Custodian, transfer of duties, powers, and functions to the Justice Department
5969	Dec. 9	Employees' Compensation Commission, transfer of certain functions to the Civil Service Commission
5970	Dec. 13	Income tax returns, inspection
5971	Dec. 14	Utah, revocation of lands withdrawn pending adjustment of claims
5972	Dec. 15	Geraldine Rollins, exemption from civil service rules on appointment
5973	Dec. 15	Consular Regulations, amendment
5974	Dec. 16	Civil Service Rules, Schedule A, Subdivision III, amendment
5975	Dec. 16	Oklahoma, transfer of a lot from the custody of the Interior Department to the Treasury Department for a Federal building site
5976	Dec. 16	Washington, land withdrawal for Greenleaf Mountain lookout site

Appendix C

<i>No.</i>	<i>Date</i>	<i>Subject</i>
	<i>1932</i>	
5977	Dec. 19	Executive departments and agencies, closing in the District of Columbia, December 24 and 31, 1932
5978	Dec. 19	California, revocation of lands withdrawn for resurvey and such lands opened to entry
5979	Dec. 19	New Mexico, revocation of lands withdrawn for resurvey
5980	Dec. 22	Oregon and California railroad grant lands, modification, authorization to the Interior Department to withdraw lands for air navigation facilities
5981	Dec. 22	John T. Crowley, exemption from compulsory retirement
5982	Dec. 22	Charles J. Harlow, exemption from compulsory retirement
5983	Dec. 23	California, revocation of lands withdrawn for classification and pending legislation
5984	Dec. 23	Civil Service Rule VII, Section 1, Paragraph (a), amendment
	<i>1933</i>	
5985	Jan. 3	Montana, restoration of coal land withdrawal, Montana No. 1
5986	Jan. 3	James W. Higgins, Jr., exemption from civil service rules on appointment
5987	Jan. 4	California, revocation of lands withdrawn for air mail beacon sites and landing fields
5988	Jan. 5	Retirement, compulsory, exemption of certain individuals
5989	Jan. 5	Charles Orrin Townsend, exemption from compulsory retirement
5990	Jan. 9	Colorado, land withdrawal for a forest administrative site
5991	Jan. 12	Oregon, transfer of lands between Deschutes and Fremont National Forests

Appendix C

<i>No.</i>	<i>Date</i> 1933	<i>Subject</i>
5992	Jan. 12	Charles Carran, exemption from civil service rules on appointment
5993	Jan. 13	Baton Rouge, La., designation as a customs port of entry
5994	Jan. 13	Minnesota, land withdrawal pending legislation
5995	Jan. 13	Wyoming, revocation of lands withdrawn for resurvey and such lands opened to entry
5996	Jan. 13	Wyoming, revocation of lands withdrawn for resurvey and such lands opened to entry
5997	Jan. 17	Dirrelle Chaney, exemption from civil service rules on appointment
5998	Jan. 17	Charles Gallagher, exemption from civil service rules on appointment
5999	Jan. 17	Martha Owczarzak, exemption from civil service rules on appointment
6000	Jan. 18	Josephine Horigan, exemption from civil service rules on appointment
6001	Jan. 18	Land offices in Little Rock, Ark., Alliance, Nebr., Cass Lake, Minn., and Gainesville, Fla., transfer of business to the General Land Office in Washington, D.C.
6002	Jan. 18	Arizona, land withdrawal for an administrative site for the maintenance and operation of gaging stations
6003	Jan. 18	Paula Gillespie, inclusion in the classified service
6004	Jan. 19	Oliver M. Maxam, exemption from compulsory retirement
6005	Jan. 21	Kathleen M. Glancy, exemption from civil service rules on appointment

Appendix C

<i>No.</i>	<i>Date</i> 1933	<i>Subject</i>
6005A	Jan. 21	Secretary of State, revocation of order authorizing an official flag
6006	Jan. 23	Alaska, land withdrawal for Public Water Reserve No. 147
6007	Jan. 26	Carl R. Shepard, exemption from civil service rules on appointment
6008	Jan. 30	Colorado, revocation of lands withdrawn for resurvey and such lands opened to entry
6009	Jan. 31	California, transfer of jurisdiction of lands to the Navy Department for naval purposes
6010	Jan. 31	Panama Canal Zone, boundary revisions for Fort Randolph and France Field
6011	Feb. 1	Tongass National Forest, Alaska, exclusion of lands from, and such lands opened to entry
6012	Feb. 1	Utah, land withdrawal for an agricultural range experiment station
6013	Feb. 3	Retirement, compulsory, exemption of certain individuals
6014	Feb. 6	Oregon, land withdrawal for resurvey
6015	Feb. 6	Montana, restoration of coal land withdrawal, Montana No. 1
6016	Feb. 6	Secretary of the Interior, authorization to issue oil and gas permits and leases on withdrawn oil shale lands
6017	Feb. 7	Consular Regulations, amendment
6018	Feb. 7	Alien Property Custodian, delegation of further powers under the Trading With the Enemy Act
6019	Feb. 7	Oregon and Utah, land withdrawal for Public Water Reserve No. 148

Appendix C

<i>No.</i>	<i>Date</i> 1933	<i>Subject</i>
6020	Feb. 9	Richard H. Knight, exemption from civil service rules on reinstatement
6021	Feb. 9	Sick leave regulations
6022	Feb. 10	Ernest F. Moessner, exemption from compulsory retirement
6022A	Feb. 10	Harry A. McBride, inclusion in the classified service
6023	Feb. 11	District of Columbia, airspace reservation
6024	Feb. 11	Edward N. Dingley, Jr., exemption from civil service rules on reinstatement
6025	Feb. 14	Montana and Wyoming, land withdrawal for Public Water Reserve No. 149
6026	Feb. 14	Sterling L. Morelock, exemption from civil service rules on appointment
6027	Feb. 14	John Storey, exemption from compulsory retirement
6028	Feb. 16	Appointment of certain individuals in the Labor Department without compliance with civil service rules
6029	Feb. 16	Mary Stewart, exemption from civil service rules on appointment
6030	Feb. 17	Charles J. James, exemption from compulsory retirement
6031	Feb. 18	Alice W. Goodwin, exemption from civil service rules on appointment
6032	Feb. 18	Isaac Gregg, exemption from civil service rules on appointment
6033	Feb. 18	Ann F. Kammerer, exemption from civil service rules on appointment
6034	Feb. 18	Joseph A. Kinnahan, exemption from civil service rules on appointment

Appendix C

<i>No.</i>	<i>Date</i>	<i>Subject</i>
	1933	
6035	Feb. 18	Kenneth C. Macpherson, exemption from civil service rules on appointment
6036	Feb. 18	Edmond M. Martin, exemption from civil service rules on appointment
6037	Feb. 18	Alice Mummenhoff, exemption from civil service rules on appointment
6038	Feb. 20	Laurence Gouverneur Hoes, exemption from civil service rules on appointment
6039	Feb. 20	Alaska, revocation of land withdrawal and other lands to be withdrawn for the Alaska Game Commission and War Department
6040	Feb. 20	Oregon, land withdrawal for Public Water Reserve No. 150
6041	Feb. 21	Adelle B. Freeman, exemption from civil service rules on appointment
6042	Feb. 21	Grace F. Smythe, exemption from civil service rules on appointment
6043	Feb. 23	Civil Service Rule IX, Section 1(b), amendment
6044	Feb. 23	Alaska, land withdrawal to protect native fishing rights
6045	Feb. 24	Sitka dock site, Alaska, modification of land description
6046	Feb. 24	Civil Service Rules, Schedule A, Subdivision IV, Paragraph 10, amendment
6047	Feb. 25	Civil Service Rules, Schedule A, Subdivision III, Paragraph 1, revocation
6048	Feb. 25	Harry E. Timmis, exemption from civil service rules on appointment
6049	Feb. 27	Milton Harold Powell, exemption from civil service rules on appointment

Appendix C

<i>No.</i>	<i>Date</i> <i>1933</i>	<i>Subject</i>
6050	Feb. 27	Tongass National Forest, Alaska, exclusion of lands for an Army radio station
6051	Feb. 27	Virgin Islands, Federal employees, permission to hold positions in the local Colonial Councils
6052	Feb. 27	Marie K. Kaley, exemption from civil service rules on appointment
6053	Feb. 28	California, modification of Reservoir Site Reserve No. 17
6054	Feb. 28	Colorado, land withdrawal for resurvey
6055	Feb. 28	Colorado, land withdrawal for resurvey
6056	Feb. 28	G. Harold Keatley, exemption from civil service rules on appointment
6057	Mar. 1	Clara L. Hess, exemption from civil service rules on appointment
6058	Mar. 1	Mrs. Jessie N. Barber, exemption from civil service rules on appointment
6059	Mar. 2	Irvin S. Goldbarth, exemption from civil service rules on appointment
6060	Mar. 2	President's Emergency Committee and the President's Organization for Unemployment Relief, transfer of records to the Commerce Department
6061	Mar. 2	Joseph Gambaro and Solomon Israel, exemption from civil service rules on appointments
6062	Mar. 2	Ruby Mae Webb, exemption from civil service rules on appointment
6063	Mar. 2	Ellen T. Purcell and J. Elizabeth Williams, exemption from civil service rules on appointments
6064	Mar. 3	Revocation of order restricting the transportation of passengers from certain oriental ports to the U.S.

Appendix C

<i>No.</i>	<i>Date</i> <i>1933</i>	<i>Subject</i>
6065	Mar. 3	Boulder Canyon Wildlife Refuge, Arizona and Nevada, establishment
6066	Mar. 3	Edwin Sheddan Cunningham, retention in the Foreign Service
6067	Mar. 3	Thomas H. Allen, exemption from civil service rules on appointment
6068	Mar. 3	Daphne Mary Byrne, appointment in the classified service
6069	Mar. 3	John M. Hooe, exemption from civil service rules on appointment
6070	Mar. 3	Mary A. McClung, exemption from civil service rules on appointment

Appendix D—Presidential Reports to the 72d Congress, During 1932–33

<i>Subject</i>	<i>Published</i>	<i>Sent to Congress</i>
Juvenile Court of the District of Columbia...	H. Doc. 213	Jan. 7, 1932
	.....	Dec. 8, 1932
Alien Property Custodian.....	H. Doc. 25	Feb. 9, 1932
	H. Doc. 425	Jan. 21, 1933
Director General of Railroads.....	H. Doc. 248	Feb. 15, 1932
War Policies Commission.....	H. Doc. 264	Mar. 7, 1932
Philippine Islands, Governor General's re- port.....	H. Doc. 355	June 15, 1932
Council of National Defense, 16th annual..	.....	July 8, 1932
Alaska Railroad.....	.....	Dec. 8, 1932
Arlington Memorial Amphitheater, com- mission on the erection of memorials and entombment of bodies.....	.....	Dec. 8, 1932
Bureau of Efficiency.....	.....	Dec. 8, 1932
Civil Service Commission, 49th annual.....	.....	Dec. 8, 1932
National Advisory Commission for Aero- nautics, 18th annual.....	S. Doc. 143	Dec. 8, 1932
Panama Canal, Governor's report.....	.....	Dec. 8, 1932
Panama Railroad Company, 83d report.....	.....	Dec. 8, 1932
Perry's Victory Memorial Commission, 13th annual.....	H. Doc. 491	Dec. 8, 1932
Puerto Rico, Governor's 32d annual.....	.....	Dec. 8, 1932

Appendix D

<i>Subject</i>	<i>Published</i>	<i>Sent to Congress</i>
Battlefields in the United States, study and investigation of	S. Doc. 151	Dec. 13, 1932
Washington Monument Grounds	H. Doc. 528	Jan. 19, 1933
Public Buildings and Public Parks of the National Capital . . . . .	.....	Feb. 1, 1933

Appendix E—The President's Calendar

NOTE: This appendix is a compendium of the President's appointments and activities selected from the Executive Office calendar and the records maintained by the Chief Usher of the White House. It is intended both as a record of business appointments and an indication of the many ceremonial demands placed upon the time of the Chief Executive.

This listing follows the sequential order of the President's day. It does not include Mrs. Hoover's engagements, such social activities as automobile tours of the area, or visits to the White House by members of the family.

Researchers interested in detailed information regarding the specific hour of meetings and in additional activities should write to the Herbert Hoover Presidential Library, West Branch, Iowa 52358.

1932

January 1

Otto C. Kafer, William L. Wilson, Martin J. Bredwold, and H. Walter Barrows

New Year's public reception

Representative Bertrand H. Snell, House minority leader

January 2

Attended funeral services of Richard V. Oulahan

Attorney General William D. Mitchell

Postmaster General Walter F. Brown

J. Clawson Roop, Director of the Budget

Visited the new Department of Commerce Building

January 3

Senator Simeon D. Fess

Charles Evans Hughes, Chief Justice of the Supreme Court

Dinner—Senator James E. Watson, Senator and Mrs. Charles L. McNary, Senator and Mrs. Daniel O. Hastings, and Dare S. McMullin

January 4

Representative Charles L. Underhill, Massachusetts

Ogden L. Mills, Under Secretary of the Treasury

Senator Arthur H. Vandenberg, Michigan

Representative Pratt, New York

Appendix E

1932

- Franklin W. Fort, former Representative of New Jersey
Representative Frederick M. Davenport, New York
Henry Goddard Leach, editor of The Forum
Adm. Clark H. Woodward and Lt. Col. Charles B. Price, American Electrical Mission in Nicaragua
Representative James S. Parker of New York and Peter G. Ten Eyck and Roy S. Smith of the Albany, N.Y. Port District Commission
John Copeland Kirtland
Secretary of Labor William N. Doak and Brotherhood of Locomotive Engineers representatives A. Johnston, James Cassell, and George W. Laughlin
Lunch—Former Senator and Mrs. Atlee Pomerene and David Hinshaw
Ogden L. Mills, Under Secretary of the Treasury
Leland C. Speers, New York Times
Silas H. Strawn, president of the Chamber of Commerce of the United States
John F. Chester, Associated Press
Senator George H. Moses
Ogden L. Mills, Under Secretary of the Treasury
Secretary of State Henry L. Stimson
- January 5*
- Senator James Couzens, Michigan
Charles G. Dawes, United States Ambassador to Great Britain
Representative Fred S. Purnell, Indiana
- Franklin W. Fort, former Representative of New Jersey
Norman H. Davis, delegate to the General Disarmament Conference
Secretary of War Patrick J. Hurley and Philippine delegation
Cabinet
Washington Correspondents
Senator Reed Smoot and highway safety winners
Luther Tucker, president of the Intercollegiate Disarmament Council
Representative Albert H. Vestal, Indiana
Lunch—Secretary of State Henry L. Stimson, Assistant Secretary of State James G. Rogers, J. Theodore Mariner, Ambassador Charles G. Dawes, Norman H. Davis, Senator Claude A. Swanson, and Mary E. Woolley
Siamese Minister, Phya Subarn Sompati, to present letters of credence
Walter S. Gifford, Director of the President's Organization on Unemployment Relief
Postmaster General Walter F. Brown
Senator Otis F. Glenn, Illinois
Henry J. Allen, former Senator of Kansas
Judson C. Welliver, president of Pullman Co.
- January 6*
- Breakfast—Mark Sullivan, journalist
Ogden L. Mills, Under Secretary of the Treasury
J. Russell Young, Washington Star
Channing Harris Cox, former Governor of Massachusetts

Appendix E

1932

- Representative William E. Evans, California
Representative Edward B. Almon and Morris Bush and Charles Debardeleben, of the Alabama Mining Institute
Will Irwin
Representative Carl G. Buchmann, West Virginia
Secretary of Labor William N. Doak and two
Dr. Boyce, Arkansas
Edward L. Ryerson, Jr., chairman of the Illinois Governor's Commission on Unemployment and Relief
Panamanian Minister, Horacio F. Alfaro, to present letters of credence
LeRoy T. Vernon, Chicago Daily News
Secretary of War Patrick J. Hurley
Representative William R. Wood, Indiana
Henry J. Allen, former Senator of Kansas
Secretary of Commerce Robert P. Lamont
William Green, president of the American Federation of Labor
- January 7*
- George Akerson, former Secretary to the President
Will Irwin
Swedish Minister, Wollmar F. Bostrom, to present Ivar Kreuger, president of the Swedish Match Co.
Representative Carl Vinson
Frederick W. V. Coleman, United States Minister to Denmark
- James R. Cox, of Pittsburgh, Pa., and a group of Pennsylvania unemployed
Carl J. Lomen, Alaska
Chinese Minister, Dr. W. W. Yen, to present letters of credence
Albert D. Lasker, former Chairman of the United States Shipping Board
J. Clawson Roop, Director of the Budget
James C. Stone, Chairman of the Federal Farm Board
Rollo Ogden, editor of the New York Times
Dinner—Vice President Charles Curtis at his residence
- January 8*
- Breakfast—Charles G. Dawes, U.S. Ambassador to Great Britain
Walter E. Hope, former Assistant Secretary of the Treasury
Representative Albert E. Carter, California, and Earl Warren and William J. Donovan of Oakland, Calif.
Michael Gallagher, president of Pittston Co., Cleveland, Ohio
Attorney General William D. Mitchell
William E. Brock, former Senator of Tennessee, and Paul John Kruesi, president of Southern Ferro Alloys Co.
Cabinet
Clarence Stetson, Miami, Fla.
Representative Albert H. Vestal
Washington Correspondents
Dinner—Former Governor and Mrs. Huntley N. Spaulding of New Hampshire

Appendix E

1932

January 9

Breakfast—Mark Sullivan and former Governor and Mrs. Huntley N. Spaulding

Senator Wallace H. White, Jr., Maine
Secretary of War Patrick J. Hurley and
Dwight F. Davis, Governor General
of the Philippine Islands

Attorney General William D. Mitchell
and Assistant Attorneys General
Charles P. Sisson and Nugent Dodds
Hanford MacNider, United States
Minister to Canada

Representative Oscar B. Lovette and
committee of Tennesseans

C. Bascom Slemph

Fred C. Croxton, Assistant Director of
the President's Organization on Un-
employment Relief

Eugene Meyer, Governor of the Federal
Reserve Board

Paul Shoup, president of the Southern
Pacific Railroad Co.

Raymond Benjamin, assistant chairman
of the Republican National Commit-
tee

Ira E. Bennett, editor of the Washing-
ton Post

January 10

Lunch—Under Secretary of the Treas-
ury Ogden L. Mills, George L. Har-
rison, and Walter W. Stewart

Charles Evans Hughes, Chief Justice
of the Supreme Court

Theodore Roosevelt, Jr., Governor of
Porto Rico

Dinner—Senator and Mrs. David A.
Reed and Mrs. Vernon L. Kellogg

January 11

Eugene Meyer, Governor of the Federal
Reserve Board, and Ogden L. Mills,
Under Secretary of the Treasury

Senator Carter Glass, Virginia

Senator Frederic C. Walcott, Connec-
ticut

William R. Castle, Jr., Under Secretary
of State

George Akerson, former Secretary to
the President

Senator Henry D. Hatfield and Repre-
sentative Carl G. Bachmann

Secretary of War Patrick J. Hurley
Committee representing the editorial
board of the 7th Regiment Gazette

Judge Crow and Mr. Savage

Senator Phillips Lee Goldsborough,
Maryland

Representative Samuel A. Kendall,
Pennsylvania

Lunch—Frederick E. Murphy

Postmaster General Walter F. Brown

J. Clawson Roop, Director of the
Budget

James Hagerty, New York Times

Secretary of State Henry L. Stimson

Harvey C. Couch

Charles F. Scott

January 12

Breakfast—Justice Harlan Fiske Stone

Senator James Couzens, Michigan

Representative William P. Connery, Jr.,
Massachusetts

Appendix E

1932

Cabinet

Washington Correspondents

Edward A. O'Neal and representatives
of three national farm organizations

Lewis Seymour Mudge and delegation
from the National Presbyterian
Church

Howard D. Smith, New York

Attorney General William D. Mitchell
Secretary of Agriculture Arthur M.
Hyde

Secretary of War Patrick J. Hurley

Senator David A. Reed, Pennsylvania

Secretary of the Interior Ray Lyman
Wilbur

Senator Otis F. Glenn, Illinois

Senator Felix Hebert, Rhode Island

Dinner—Senator Henry D. Hatfield,
Senator and Mrs. Warren R. Austin,
and Dr. and Mrs. Stanley M. Rine-
hart

Senator Robinson

January 13

Breakfast—George Barr Baker and
Mark Sullivan

Senators James E. Watson and Arthur
R. Robinson, and Representative Fred
S. Purnell, Indiana

Representative Bertrand H. Snell,
House minority leader

Secretary of Commerce Robert P. La-
mont

Senator Charles W. Waterman, Colo-
rado

Wilber Miller, president of Davison
Chemical Co., Baltimore, Md.

Senator William J. Harris and a dele-
gation from Georgia

Arthur Sweetser

Eugene Meyer, Governor of the Fed-
eral Reserve Board

Attorney General William D. Mitchell

Harris J. Booras, supreme president,
and officers of the Supreme Lodge of
the Order of Ahepa, a national
Greek-American organization

Frederic William Wile, broadcast jour-
nalist

Rear Adm. Ridley McLean, budget offi-
cer of the Department of the Navy

Theodore C. Wallen, New York Her-
ald Tribune

Ogden L. Mills, Under Secretary of the
Treasury

Secretary of War Patrick J. Hurley

Senator William E. Borah

Dinner—Secretary of the Navy and
Mrs. Charles F. Adams

Attended reception at the Woman's
Congressional Club

January 14

Postmaster General Walter F. Brown

William T. Rawleigh, manufacturer

Senator Robert F. Wagner, New York

William G. Shepherd, Collier's Weekly
Ferdinand Richard Schaaf, Indiana

banker

Charles McK. Saltzman, Chairman of
the Federal Radio Commission

Allen T. Gilbert, president of the Alex-
ander Hamilton Club of Chicago, and

William D. Saltiel, Chicago

George Mecklenberg, pastor of the Wes-
ley Methodist Episcopal Church,
Minneapolis, Minn.

Appendix E

1932

<p>Robert B. Armstrong, Los Angeles Times J. F. Barrett, San Francisco, Calif. George H. Shaw, former chairman of the Colorado Republican State Central Committee Eugene Meyer, Governor of the Federal Reserve Board Senator Frederick Steiwer J. Clawson Roop, Director of the Budget Senator Felix Hebert Byron Price, Associated Press Secretary of Agriculture Arthur M. Hyde William R. Castle, Jr., Under Secretary of State Dinner—Diplomatic Corps</p>	<p>Aline O'Hare McCormick, New York Times Secretary of Labor William N. Doak and Mr. Johnson Senator Reed Smoot, Utah</p>
<i>January 16</i>	
<p><i>January 15</i> Breakfast—Mark Sullivan, journalist Representative Bertrand H. Snell, House minority leader Ogden L. Mills, Under Secretary of the Treasury Senator David A. Reed Senators Cameron Morrison and Josiah W. Bailey, North Carolina Cabinet Mrs. Jonathan B. Carter, vice chairman of the Kansas Republican State Committee Mr. McGothan and Mr. Jones Lunch—Mr. and Mrs. Isaac F. Marcossion James F. Burke, general counsel of the Republican National Committee Ogden L. Mills, Under Secretary of the Treasury</p>	<p>Senator James J. Davis, Pennsylvania Senator Frederic C. Walcott, Connecticut Washington Bicentennial Commission meeting in Cabinet Room Senator Claude A. Swanson, Virginia Lamont Rowlands C. Bascom Slemple William F. Schilling, Federal Farm Board P. T. Koran Eugene Meyer, Governor of the Federal Reserve Board, and Henry N. Langworthy, Kansas City, Mo. William H. Cowles, publisher of the Spokane Spokesman-Review Ogden L. Mills, Under Secretary of the Treasury John S. Lawrence, Boston, Mass. Frank H. Hitchcock, Tucson, Ariz., newspaper publisher Lunch—Mr. and Mrs. Joseph R. Knowland Henry J. Allen, former Senator of Kansas Participated in the opening of the Lincoln Memorial Bridge and the Mount Vernon Memorial Highway Postmaster General Walter F. Brown Eugene Meyer, Governor of the Federal Reserve Board</p>

Appendix E

1932

January 17

Lunch—Secretary of State and Mrs. Henry L. Stimson and Under Secretary of the Treasury and Mrs. Ogden L. Mills

Senator David A. Reed

Franklin W. Fort, former Representative of New Jersey

Dinner—Dr. and Mrs. John H. Finley

January 18

Breakfast—Dr. and Mrs. John H. Finley

Eugene Meyer, Governor of the Federal Reserve Board

Representative John Q. Tilson, Connecticut

Senator Tasker L. Oddie, Nevada

Secretary of Agriculture Arthur M. Hyde

Frank T. Hines, Administrator of Veterans' Affairs

Charles S. Barrett and George McDonald

William R. Willcox, New York

Representative Sam D. McReynolds and former Senator William E. Brock of Tennessee

Senators Phillips Lee Goldsborough and John Thomas

Lenna L. Yost, director of the women's division of the Republican National Committee, and Mrs. Olson

Representative David Hopkins, Missouri

Lunch—Mr. and Mrs. Edwin A. Van Valkenberg

James L. Wright, Buffalo News

Representative John J. Cochran, Missouri

Representative Lamar Jeffers and Thomas E. Kilby, former Governor of Alabama

Eugene Meyer, Governor of the Federal Reserve Board

Secretary of Labor William N. Doak and Representative Robert L. Bacon, New York

Mr. and Mrs. Theodore G. Joslin

January 19

Breakfast—Mr. and Mrs. Henry T. Claus

Ogden L. Mills, Under Secretary of the Treasury

Cabinet

Representatives Henry B. Steagall, Alabama, and James G. Strong, Kansas
Washington Correspondents

Senator Thomas D. Schall

Postmaster General Walter F. Brown

Lunch—Ambassador Charles G. Dawes and Mr. and Mrs. Abraham C. Ratchesky

Eugene Meyer, Governor of the Federal Reserve Board

John S. Pillsbury, Minneapolis

Secretary of the Navy Charles F. Adams
Fred B. Smith, chairman of the executive committee of the World Alliance for International Friendship Through the Churches

Secretary of State Henry L. Stimson
Frank S. Baker, editor and publisher, Tacoma, Wash., and Mr. Dodge
Michael Gallagher, president of Pittston Co., Cleveland, Ohio

Appendix E

1932

Secretary of War Patrick J. Hurley
Secretary of the Interior Ray Lyman
Wilbur
Secretary of Agriculture Arthur M.
Hyde
Dinner—Secretary of State and Mrs.
Henry L. Stimson at their residence

January 20

Senator Daniel O. Hastings, Delaware
Senator James Couzens, Michigan
Senator David A. Reed, Pennsylvania
Senator J. Hamilton Lewis
Wesley L. Jones, former Senator of
Washington, and Mr. Jefferies
Representative Edith Nourse Rogers,
Massachusetts
Representative Scott Leavitt and dele-
gation of northern Montana cattlemen
Henry St. George Tucker, former Rep-
resentative of Virginia
James Wickersham, Delegate from
Alaska
Secretary of War Patrick J. Hurley
Spanish Counselor, Count de Monte-
fuerte, to present Juan de la Cierva
Aida de Acosta Breckinridge
James H. Rand, Jr., president of Rem-
ington Rand Co.
Representative Richard Yates, Illinois
Lunch—Professor and Mrs. Philip M.
Brown
Secretary of Commerce Robert P. La-
mont and John Matthew Gries
Edwin A. Van Valkenberg
Edward Flesh, St. Louis, Mo.
William R. Castle, Jr., Under Secre-
tary of State

Secretary of Labor William N. Doak
Eugene Meyer, Governor of the Fed-
eral Reserve Board
Joseph Sigalls, artist

January 21

Breakfast—Bernard M. Baruch
Senator Frederic C. Walcott, Connecti-
cut
Senator William J. Harris, Georgia
Will Irwin
Representatives Henry B. Steagall and
Henry T. Rainey
Senator John H. Bankhead, Alabama
Charles F. Abbott, executive director of
the American Institute of Steel Con-
struction
Representative John C. Allen, Illinois
Louis J. Taber, master of the National
Grange, and Albert S. Gauss
George Parker, attorney general of
Utah, and Byron D. Anderson, dep-
uty attorney general of Utah
Mrs. Overton G. Ellis, Tacoma, Wash.
Arthur Bliss Lane, United States Coun-
sellor of Embassy at Mexico City,
Mexico
National Furniture Warehouse Com-
pany, delegation
William Hamilton
William R. Castle, Jr., Under Secretary
of State
Representative Philip D. Swing and
Walter W. Austin, mayor of San
Diego, Calif.
Lunch—Walter H. Newton, Secretary
to the President, Herbert Straus,
and W. Kingsland Macy

Appendix E

1932

- Walter S. Gifford, Director of the President's Organization on Unemployment Relief
- J. Clawson Roop, Director of the Budget
- Bernard M. Doyle, former mayor of Leominster, Mass.
- Representative William F. Stevenson, South Carolina
- Andrew W. Robertson, Pittsburgh, Pa.
- Secretary of State Henry L. Stimson
- Frank R. Phillips, Pittsburgh, Pa.
- Dinner—Mrs. Vernon L. Kellogg, Charles K. Field, Dr. Esther Clark, Mr. and Mrs. French Strother, and Mr. and Mrs. Dean Mitchell
- Reception—Members of the Senate
- January 22*
- Breakfast—Mr. and Mrs. French Strother, and Charles K. Field
- David Baird, Jr., former Senator of New Jersey
- Secretary of the Interior Ray Lyman Wilbur
- Cabinet
- Lee W. Maxwell, president of the Crowell Publishing Co.
- Secretary of State Henry L. Stimson
- Committee from the National Automobile Chamber of Commerce, including Alfred P. Sloan, W. C. Cowling, Roy D. Chapin, and Alvan Macauley
- Senator Thomas D. Schall and David McBride, Minneapolis Anti-Saloon League
- Mr. Briggs, California
- Ferry K. Heath, Assistant Secretary of the Treasury
- J. E. Smithermann, Louisiana
- Lenna L. Yost, director of the women's division of the Republican National Committee
- Lunch—Carrie Chapman Catt, Caroline McCormick Slade, Chauncey McCormick, and Charles K. Field
- Washington Correspondents
- Charles G. Dawes, President of the Reconstruction Finance Corporation; Eugene Meyer, Chairman of the Board of the Reconstruction Finance Corporation; Ogden L. Mills, Under Secretary of the Treasury; and George L. Harrison, Governor of the Federal Reserve Bank of New York
- Senators Joseph T. Robinson and Carter Glass, and Speaker of the House John N. Garner
- January 23*
- Breakfast—Mark Sullivan, journalist
- Ogden L. Mills, Under Secretary of the Treasury
- William R. Castle, Jr., Under Secretary of State
- Bill signing—H.R. 6172, providing additional capital for Federal land banks
- Representatives Fred A. Britten and George P. Darrow
- Representative Edward W. Pou, North Carolina
- Gaspar G. Bacon, Boston, Mass.
- Senator Peter Norbeck, South Dakota
- Senator Ellison D. Smith, South Carolina

Appendix E

1932

Representative Ruth Pratt, New York
Robert B. Armstrong, Los Angeles
Times

Franklin W. Fort, former Representative
of New Jersey

Jesse Clyde Nichols, member of the
Park and Planning Commission

Charles L. Hyde, Sr., Pierre, S. Dak.

Charles G. Dawes, President of the
Reconstruction Finance Corporation

Walter L. McMenimen, labor leader
Lunch—Henry J. Haskell, editor of the
Kansas City Star

Frank T. Hines, Administrator of
Veterans' Affairs

Visited Press Club accompanied by Sec-
retary to the President Theodore G.
Joslin

January 24

Breakfast—Senator James E. Watson
and Representative Bertrand H. Snell
Lunch—Mr. and Mrs. Henry P.
Fletcher

Charles W. Dawes, Ogden L. Mills,
Eugene Meyer, and George L. Harri-
son

Senator Reed Smoot

Theodore Roosevelt, Jr., Governor Gen-
eral of the Philippine Islands and
Alice Roosevelt Longworth

January 25

Secretary of Commerce Robert P. La-
mont

Secretary of War Patrick J. Hurley

Representative Robert G. Simmons,
Nebraska

Senator Ellison D. Smith, South Caro-
lina, and Mr. McCawley

Senators Hamilton F. Kean and W.
Warren Barbour and Representative
George N. Seger, New Jersey

Conrad Mann and John M. Morin

Secretary of Labor William N. Doak

Harry S. Kissell, president of the Na-
tional Association of Real Estate
Boards, and Herbert U. Nelson, sec-
retary of the Association

Frank A. Wadleigh

Mr. Cross, Providence, R. I.

Railroad Employees Association of
Pennsylvania, delegation headed by
Joseph J. Grego

Secretary of State Henry L. Stimson

Lunch—Ignace J. Paderewski, com-
poser

Representative Henry B. Steagall, Ala-
bama

Senators Phillips Lee Goldsborough
and John Thomas

Bennett Gordon

William R. Castle, Jr., Under Secretary
of State

H. Paul Bestor, Federal Farm Loan
Commissioner

Horace M. Albright, Director, National
Park Service and officials

J. Clawson Roop, Director of the
Budget

Eugene Meyer, Governor of the Federal
Reserve Board, and George L. Har-
rison, Governor of the Federal Re-
serve Bank of New York

Maj. Klotz

Jesse H. Jones

Appendix E

1932

Dinner—Senators John Thomas of

Idaho, Phillips Lee Goldsborough,
John G. Townsend, Jr., and Frederic
C. Walcott

Charles G. Dawes, President of the Re-
construction Finance Corporation,
George L. Harrison, Governor of the
Federal Reserve Bank of New York,
and Senator Robert D. Carey

January 26

Breakfast—Mark Sullivan, journalist

Senator James J. Davis, Pennsylvania

Senator David A. Reed, Pennsylvania
Cabinet

Washington Correspondents

Thomas D. Thacher, Solicitor General

Earl L. Douglass, Germantown, Pa.

J. Matt Chilton, and Representative
Charles Finley

Anthony Czarnecki

C. Bascom Slemph

George Barr Baker

Lunch—Lessing J. Rosenwald, Sears,
Roebuck & Co.

George Benson

Secretary of Agriculture Arthur M.
Hyde

Senator Reed Smoot, Utah

Secretary of State Henry L. Stimson

Eugene Meyer, Governor of the Federal
Reserve Board

Raymond Benjamin, assistant chairman
of the Republican National Commit-
tee

Reception—Members of the House of
Representatives

January 27

Breakfast—Mark Sullivan, journalist

Representative Charles L. Underhill,
Massachusetts

Representative Florence P. Kahn, Cali-
fornia

Representative John Q. Tilson

Senator Henry D. Hatfield and Mr.
Marshall

Senator Walter F. George, Georgia

Ogden L. Mills, Under Secretary of the
Treasury

J. Clawson Roop, Director of the
Budget, and J. Henry Scattergood,
Assistant Commissioner of Indian
Affairs

Senator Arthur H. Vandenberg and
Martin H. Carmody, Knights of Co-
lumbus

William E. Best, president of the United
States Building and Loan League

Representative William E. Hull, Illi-
nois, and Mr. and Mrs. Bailey

Lenna L. Yost, director of the women's
division of the Republican National
Committee, and Miss Lobdell

Tom Flaherty

Secretary of State Henry L. Stimson

Lunch—Mr. and Mrs. Walter Lipp-
mann

Secretary of War Patrick J. Hurley

Representative James S. Parker, New
York

Senator Carter Glass

Dinner—Secretary of the Treasury and
Mrs. Andrew W. Mellon

Appendix E

1932

January 28

Breakfast—Walter E. Hope, former
Assistant Secretary of the Treasury
Ogden L. Mills, Under Secretary of the
Treasury

Senator Frederic C. Walcott, Connecticut

James F. Burke, general counsel of the
Republican National Committee

Representative Charles L. Underhill,
Massachusetts

Senators Ellison D. Smith, South Carolina,
and Josiah W. Bailey, North Carolina

Senator Peter Norbeck, South Dakota

Senator John Thomas, Idaho

Senator Otis F. Glenn and Representative
Carl R. Chindblom, Illinois

Thomas F. Clark, vice president of the
National Association of Mortgage Investment
Bankers

Senator Hamilton F. Kean, New Jersey

Charles J. Hepburn, Philadelphia, Pa.

Charles Stetson Wilson, United States
Minister to Rumania

Walter Teller, Los Angeles, Calif.

Representative Ruth Pratt and New
York State Senator S. H. Hofstadter

Representative William F. Kopp, Iowa
Nona R. Esser, Denver, Colo.

Col. Dodge, Mount Vernon, Va.

James F. Burke, general counsel of the
Republican National Committee

Postmaster General Walter F. Brown

Robert V. Fleming and Harry J. Haas,
American Bankers Association

Secretary of Agriculture Arthur M.
Hyde

J. Clawson Roop, Director of the
Budget

Senator Henry D. Hatfield, West Virginia

Albert Pickard

Secretary of Commerce Robert P. La-
mont

Senator Joseph T. Robinson, Arkansas
Dinner—Supreme Court Justices

January 29

Wesley L. Jones, former Senator of
Washington

A. C. Backus, Milwaukee, Wis.
Cabinet

J. Fred Schoellkopf, Buffalo, N.Y.

Representative Scott Leavitt

Nathan W. MacChesney, Chicago

Representative Tom D. McKeown and
a group of Oklahoma Seminole In-
dians, headed by Chief Chili Fish

Lunch—Charles G. Dawes, Ogden L.
Mills, Eugene Meyer, H. Paul Bestor,
Jesse H. Jones, and Harvey C. Couch

Senator Robert D. Carey, Wyoming

Secretary of State Henry L. Stimson

Robert B. Armstrong, Los Angeles
Times

Senator David A. Reed, Pennsylvania

January 30

Breakfast—Senator James E. Watson,
Senate majority leader

William R. Castle, Jr., Under Secretary
of State

LeRoy T. Vernon, Chicago Daily News

Robert B. Armstrong, Los Angeles
Times

Appendix E

1932

Postmaster General Walter F. Brown
Senator Carter Glass and committee
representing the Virginia General
Assembly
Col. U. S. Grant, 3d
William E. Lamb, Chicago
Representative and Mrs. Herbert J.
Drane and Kathleen Kelly
Representatives Louis Ludlow and
Courtland C. Gillen and Rachael Gil-
len
George Akerson, former Secretary to
the President
Secretary of Commerce Robert P. La-
mont
Secretary of State Henry L. Stimson
and Under Secretary of State William
R. Castle, Jr.
Eugene Meyer, Governor of the Federal
Reserve Board
Dinner—Mr. and Mrs. Charles D.
Hilles

January 31

Breakfast—Mr. and Mrs. Charles D.
Hilles
Secretary of State Henry L. Stimson,
Secretary of War Patrick J. Hurley,
Secretary of the Navy Charles F.
Adams, Chief of Naval Operations
William V. Pratt, Under Secretary
of State William R. Castle, Jr., and
Stanley K. Hornbeck
Dinner—Mr. and Mrs. Eugene Meyer
and Mrs. Vernon L. Kellogg

February 1

Secretary of State Henry L. Stimson

Representative John Q. Tilson
Senator Porter H. Dale and Vermont
congressional delegation
Representative Robert F. Rich, Pennsyl-
vania
Representative Carroll L. Beedy, Maine
Postmaster General Walter F. Brown
Paul M. Pearson, Governor of the Vir-
gin Islands
Wade H. Ellis
Julius L. Meier, Governor of Oregon
Eugene Meyer, Governor of the Fed-
eral Reserve Board, and Col. Clark
and Mr. Hanson
Charles F. Abbott, executive director of
the American Institute of Steel Con-
struction
Nugent Dodds and Charles P. Sis-
son, Assistant Attorneys General
C. Bascom Slemph and Wade H. Ellis

February 2

Roy O. West, former Secretary of the
Interior
Henry J. Allen, former Senator of Kan-
sas
Ogden L. Mills, Under Secretary of the
Treasury
Cabinet
Washington Correspondents
Clara B. Burdette
Frank T. Hines, Administrator of Vet-
erans' Affairs
Truman H. Talley, editor of Fox
Movie-Tone News
Jack Williams and T. O. Kraabel,
North Dakota

Appendix E

1932

Lunch—Secretary of the Interior Ray Lyman Wilbur, Chester H. Rowell, Dr. Joel T. Boone, and Governor and Mrs. James P. Goodrich

J. Russell Young, Washington Star

John F. Chester, Associated Press

Senator Pat Harrison, Mississippi

Walker S. Buel, Cleveland Plain Dealer

James F. Burke, general counsel of the Republican National Committee

Mr. and Mrs. Lewis L. Strauss

Mr. and Mrs. Franklin W. Fort

Dinner—Speaker of the House, John Nance Garner

February 3

Breakfast—Mr. and Mrs. Franklin W. Fort

Chester H. Rowell, editor of the San Francisco Chronicle

Ogden L. Mills, Under Secretary of the Treasury

Senator David A. Reed, Pennsylvania

Representative James G. Strong, Kansas

William E. Humphrey, Federal Trade Commission

Franklin W. Fort, former Representative of New Jersey, and Fred E. Stickle, New Jersey Building and Loan Association League

Samuel P. Towne, commander in chief of the Grand Army of the Republic, and John R. King

Mrs. William C. Story, Women's Patriotic Conference on National Defense

George W. Angerstein and Walter Brandenburg, Chicago, Ill.

Charles G. Dawes, Eugene Meyer, and Ogden L. Mills, Directors of the Reconstruction Finance Corporation, and Melvin A. Traylor

Lunch—Lawrence Richey, Secretary to the President

Ogden L. Mills, Under Secretary of the Treasury

Secretary of War Patrick J. Hurley and Secretary of the Interior Ray Lyman Wilbur

Byron Price, Associated Press

Senator Reed Smoot, Utah, and Heber J. Grant and Steven L. Richards, Salt Lake City

Secretary of Commerce Robert P. Lamont

Julius Klein, Assistant Secretary of Commerce

Secretary of State Henry L. Stimson

Reception—Delegates to the 7th Women's Patriotic Conference on National Defense

Secretary of War Patrick J. Hurley, Secretary of Commerce Robert P. Lamont, Secretary of the Navy Charles F. Adams, Under Secretary of the Treasury Ogden L. Mills, Secretary of State Henry L. Stimson, and Gen. Francis Parker, Chief of the Bureau of Insular Affairs

February 4

Breakfast—George Barr Baker

Ogden L. Mills, Under Secretary of the Treasury

Irving H. Larom, Wyoming

Henry J. Allen, former Senator of Kansas

Appendix E

1932

Walter S. Gifford, Director of the President's Organization on Unemployment Relief

Aida de Acosta Breckinridge

Austrian Minister, Edgar L. C. Prochnick, to present statue of George Washington as a gift from the Austrian Government

Ernest Lee Jahncke, Assistant Secretary of the Navy, and Senator Huey P. Long, Louisiana

William F. McDowell and Ernest G. Richardson, bishops of Methodist Episcopal Churches in Washington, D.C. and Atlantic City, N.J.

Thomas B. Love, Texas

Senator Peter Norbeck and group of South Dakota farmers

Carl Hanna, Cleveland, Ohio

Holm O. Bursum, former Senator of New Mexico

Lunch—Secretary of State Henry L. Stimson and Frank R. McCoy

Representative Ruth Pratt, New York

Secretary of Agriculture Arthur M. Hyde

J. Clawson Roop, Director of the Budget

Charles P. Sisson, Assistant Attorney General

Ogden L. Mills, Under Secretary of the Treasury

Secretary of Labor William N. Doak

Secretary of State Henry L. Stimson

Reception—Officials of the Departments of the Treasury, Post Office, Interior, Agriculture, Commerce, and Labor

Governor and Mrs. James P. Goodrich of Indiana

February 5

Breakfast—Governor and Mrs. James P. Goodrich

Representative William R. Wood, Indiana

Senator James E. Watson, Senate majority leader

Jeremiah Milbank, Southern Railway Co.

Cabinet

Henry J. Allen, former Senator of Kansas

Henry L. Stevens, national commander of the American Legion

Postmaster General Walter F. Brown and representatives of the National Cash Register Co., of Dayton, Ohio

Mendell Silberberg, Los Angeles, Calif.

James C. Stone, Chairman of the Federal Farm Board

Sarah Morse

Lunch—Mr. and Mrs. J. R. Munn, Mrs. Hallowell, Sarah Morse, John Brooks, Mildred Hall, Col. Campbell B. Hodges, and James Goodrich

H. Paul Bestor, Federal Farm Loan Board

Washington Correspondents

Charles G. Dawes and Eugene Meyer

February 6

Conference on hoarding with representatives of approximately 60 civic and other organizations

Secretary of State Henry L. Stimson

Lunch—Leslie Urquhart, chairman of Russo-Asiatic Consolidated Ltd., London, England

Appendix E

1932

Julius H. Barnes

David Lawrence, president of U.S. Daily
Mr. Bert and Mr. Godfrey

February 7

Lunch—Charles G. Dawes and Under
Secretary of the Treasury Ogden L.
Mills

Eugene Meyer, Governor of the Federal
Reserve Board

February 8

Breakfast—Frank Knox, publisher of
the Chicago Daily News

Walter S. Gifford, Director of the Presi-
dent's Organization on Unemploy-
ment Relief

Secretary of War Patrick J. Hurley
Representative Daniel A. Reed, New
York

Mark E. Reed, Shelton, Wash.

Gen. John J. Pershing

Messrs. Chapman, Cisk, and Cunning-
ham

Secretary of State Henry L. Stimson

Lunch—Clayton Hamilton, William
Bryan Hooker, and Walter Hampden

Secretary of Commerce Robert P.
Lamont

Secretary of the Interior Ray Lyman
Wilbur

Frank Knox, publisher of the Chicago
Daily News

Secretary of Labor William N. Doak

Secretary of State Henry L. Stimson

Reception—Army and Navy

February 9

Ogden L. Mills, Under Secretary of the
Treasury

Representative Robert Luce, Massa-
chusetts

Cabinet

Washington Correspondents

Guion M. Gest

Mr. Berryman

Mr. Wiseman, Cleveland Plain Dealer

Lunch—Whiting Williams

William Green, president of the Amer-
ican Federation of Labor, and dele-
gates

Harvey C. Couch, Reconstruction Fi-
nance Corporation

Raymond Benjamin, assistant chairman
of the Republican National Commit-
tee

Clarence Dillon

February 10

Breakfast—Ogden L. Mills, Under Sec-
retary of the Treasury; Senators
James E. Watson, Arthur R. Robin-
son, Carter Glass, Robert J. Bulkley,
John G. Townsend, Jr., and Frederic
C. Walcott; and Charles G. Dawes
and Eugene Meyer of the Reconstruc-
tion Finance Corporation

Ogden L. Mills, Under Secretary of the
Treasury; Representative John N.
Garner, Bertrand H. Snell, Henry B.
Steagall, James G. Strong, Robert
Luce, and Carroll L. Beedy; and
Charles G. Dawes

Representative Philip D. Swing

J. C. Nichols

Appendix E

1932

Frank T. Hines, Administrator of Veterans' Affairs, and Kate Smith
J. C. Penney and group
American Ceramic Society, convention delegates
St. Olaf Lutheran Church of Minnesota, choir
Ogden L. Mills, Under Secretary of the Treasury, and Senators Frederic C. Walcott and John G. Townsend, Jr.
Lunch—Secretary of State Henry L. Stimson
Joseph R. Nutt, treasurer of the Republican National Committee
Balthasar H. Meyer and Charles D. Mahaffie, Interstate Commerce Commission
James F. Burke, general counsel of the Republican National Committee
Richard Whitney, president of the New York Stock Exchange
Dinner—Charles B. Warren
Myron C. Taylor

February 11

Breakfast—Dr. Joel T. Boone
Secretary of State Henry L. Stimson
Ogden L. Mills, Under Secretary of the Treasury
Walter E. Edge, United States Ambassador to France
Senator Porter H. Dale
Representative William Williamson
Secretary of Labor William N. Doak, John L. Lewis, and Thomas McKinney
Gordon C. Corbaley, president of the American Institute of Food Distribution

Harvey S. Firestone, tire manufacturer
William M. Calder, former Senator of New York
Junior Citizens Attendance League of Philadelphia, Pa.
Representative William E. Hess, Ohio
Lunch—Mark L. Requa, California Republican national committeeman
George Howland Cox, Christian Science Monitor
Reconstruction Finance Corporation Directors
J. Clawson Roop, Director of the Budget
Secretary of War Patrick J. Hurley and Will Rogers
Mr. Thomas
Mr. Hopkins
Dinner—Walter E. Edge, U.S. Ambassador to France

February 12

Breakfast—Mark Sullivan, journalist
Eugene Meyer, Governor of the Federal Reserve Board
Secretary of State Henry L. Stimson
Cabinet
Mr. Benson, William Stern, J. Krohn Herbst, North Dakota
Franklin W. Fort, former Representative of New Jersey
Good will party from Maine
Julius Klein, Assistant Secretary of Commerce
Lunch—Patrick J. Sullivan, former Senator of Wyoming
Washington Correspondents

Appendix E

1932

Will Irwin
Chief Justice Charles Evans Hughes
Lincoln Day address

February 13

Secretary of Commerce Robert P.
Lamont

Secretary of the Treasury Ogden L.
Mills

Attorney General William D. Mitchell

Postmaster General Walter F. Brown

Howard Heinz, Pittsburgh manufacturer

British Ambassador, Sir Ronald Lindsay, to present Winston Churchill

German Ambassador, Friedrich von Prittwitz, to present Oskar Eckstein

James C. Stone and Miss Stone

H. Paul Bestor, Federal Farm Loan Board, and Angus W. McLean, former Governor of North Carolina

George Akerson, former Secretary to the President

Senator James J. Davis, Pennsylvania

Lunch—Dr. Joel T. Boone, Suzanne Boone, and Will Irwin

Howard Heinz, Pittsburgh manufacturer

Nugent Dodds, Assistant Attorney General

Senator David A. Reed and Mr. Wilcox

Dinner—Mr. and Mrs. Mark Sullivan

February 14

Breakfast—Senator Felix Hebert

Lunch—Senators Arthur R. Robinson and Daniel O. Hastings

Secretary of the Treasury Ogden L. Mills, Senator Frederic C. Walcott, Charles G. Dawes, Eugene Meyer, and George L. Harrison

Jesse H. Jones, Reconstruction Finance Corporation

Adolph C. Miller, Federal Reserve Board

Senator William E. Borah

Secretary of State Henry L. Stimson

February 15

Breakfast—Albert Wiggin and Jeremiah Milbank

Eugene Meyer, Governor of the Federal Reserve Board

Representative Bertrand H. Snell, House minority leader

Secretary of War Patrick J. Hurley

Secretary of the Treasury Ogden L. Mills

Julius Klein, Assistant Secretary of Commerce and Mr. Jones

Frank T. Hines, Administrator of Veterans' Affairs

Harold Fabian

Brig. Gen. John Ross Delafield, commander in chief of the Military Order of the World War

Lenna L. Yost, director of the women's division of the Republican National Committee, and Mrs. Frank N. Mann, Maine

Walter Teller, Los Angeles

Representative John J. Cochran, Missouri, to present cake baked by the Associated Bakers of America

Silas H. Strawn, president of the Chamber of Commerce of the United States

Appendix E

1932

Adolph C. Miller, Federal Reserve Board

Mr. Crocker and Mr. Baker

Silas H. Strawn, president of the Chamber of Commerce of the United States

Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation

Charles G. Dawes, President of the Reconstruction Finance Corporation

February 16

Representative Edward W. Pou, North Carolina

Cabinet

Alfred H. Kirchhofer, managing editor of the Buffalo News

Washington Correspondents

William P. Hamilton, New York banker

Norwegian Minister, Halvard H. Bachke, to present leaders of Norwegian Winter Olympic teams

Hanford MacNider, United States Minister to Canada

T. E. Monks, Mr. Deppe, and Mr. Mylander

James H. Douglas, Jr., Chicago

Secretary of War Patrick J. Hurley

Secretary of Labor William N. Doak

French Strother, Administrative Assistant to the President

February 17

Secretary of State Henry L. Stimson

Representative John Q. Tilson

Representative Sol Bloom, New York

Representative Ruth Bryan Owen

Senator Reed Smoot, and Representatives Florence P. Kahn, Frederick C.

Loofbourow, and Philip D. Swing

Frederick H. Prince, Boston banker

Newbold Noyes, Washington Evening Star

Representative William Hull, Illinois
Edward Flesh

James C. Stone, Chairman of the Federal Farm Board

Representative Sol Bloom, New York

Mr. and Mrs. James G. Harbord

February 18

Breakfast—Secretary of the Treasury
Ogden L. Mills, George Whitney,
and James G. Harbord

Frank Knox, publisher of the Chicago Daily News

Eugene Meyer, Governor of the Federal Reserve Board

Representative Carl E. Mapes, Michigan

Col. Joseph I. McMullen

Association of Southern Agricultural Workers, representatives

William E. Best and representatives of the United States Building and Loan League

C. Bascom Slemph

Mr. and Mrs. Conrad G. Moller, New Canaan, Conn.

Secretary of Commerce Robert P. Lamont

Representative John Taber and Judge Johnson

Bernice V. Brown, dean of Radcliffe College

Lunch—Frank Knox

Appendix E

1932

Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation

Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief

J. Clawson Roop, Director of the Budget

February 19

Secretary of State Henry L. Stimson
Cabinet

E. M. C. Hawkins, chairman of the Mississippi Republican State executive committee

Representative William R. Eaton, Colorado, and Attorney General William D. Mitchell

Maxwell Blake

Mr. and Mrs. Conrad G. Moller
Washington Correspondents

February 20

Senator Frederic C. Walcott, Connecticut

Gen. John J. Pershing

James R. Garfield, former Secretary of the Interior

Representative John W. Summers, Washington

Rentfro B. Creager, Texas Republican national committeeman

Senator Arthur Capper, Kansas, and Charles B. Rogers

Postmaster General Walter F. Brown

Secretary of State Henry L. Stimson

Lunch—Postmaster General Walter F. Brown and Edward Martin

Secretary of War Patrick J. Hurley
Postmaster General Walter F. Brown
William E. Lamb, Chicago, Ill.

Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation

February 21

Breakfast—Senator James E. Watson,
Senate majority leader
Secretary of State Henry L. Stimson

February 22

Breakfast—Mark Sullivan, journalist
Representative Bertrand H. Snell,
House minority leader

Edward G. Buckland, New Haven

Address to a joint session of Congress

Lunch—Secretary of State and Mrs.
Henry L. Stimson, Secretary of War
and Mrs. Patrick J. Hurley, Postmaster General and Mrs. Walter F. Brown, Mrs. Ray Lyman Wilbur, Secretary of Commerce and Mrs. Robert P. Lamont, Secretary of Labor and Mrs. William N. Doak

Attended start of parade in Alexandria, Va., commemorating the birth of George Washington

Placed a wreath on the tomb of George Washington at Mount Vernon

National Education Association delegation at Mount Vernon

Pressed button opening the George Washington Memorial Bridge across Lake Union, Seattle, Wash.

Dinner—Mrs. Edgar Rickard

Appendix E

1932

February 23

J. Clawson Roop, Director of the Budget
Secretary of the Treasury Ogden L. Mills
Cabinet
Washington Correspondents
Representative Malcolm Baldrige and Creighton University basketball team
Kenneth M. Murchison, New York
Secretary of State Henry L. Stimson
Lunch—Walter H. Newton, Secretary to the President, and Carl Jones, editor of the Minneapolis Star
Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief
Charles F. Scott, Republican National Committee
Secretary of Agriculture Arthur M. Hyde
Raymond Benjamin, assistant chairman of the Republican National Committee

February 24

Breakfast—Mark Sullivan, journalist
Postmaster General Walter F. Brown
Representative William R. Wood, Indiana
Leslie Urquhart, chairman of Russo-Asiatic Consolidated Ltd., London, England
Robert A. Taft
Sidney N. Baruch, director of United Broadcasting System, and F. E. Parks
P. G. Spilsbury, Phoenix, Ariz.

Mrs. Nathaniel Thayer, Massachusetts
Republican national committeewoman
Frank A. Hazelbaker, Lieutenant Governor of Montana
National Education Association, Department of Superintendents, convention delegates
Lucile Gibbons and Junior Citizens of America delegates of Lynbrook, N.Y.
Senator Reed Smoot, and Howard R. Driggs, president of the Oregon Trail Commission
Representative Lloyd Thurston, Iowa
Former Gov. Davis and Mr. Davies
Roy St. Lewis, Assistant Attorney General, and Mrs. Alexander
Mr. Hoover
Secretary of State Henry L. Stimson
J. Clawson Roop, Director of the Budget
Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief
Secretary of Commerce Robert P. Lamont
Secretary of War Patrick J. Hurley
Ira E. Bennett, editor of the Washington Post

February 25

Breakfast—Mark Sullivan, journalist
Roy O. West, former Secretary of the Interior
Secretary of the Treasury Ogden L. Mills
Eugene Meyer, Governor of the Federal Reserve Board

Appendix E

1932

Secretary of War Patrick J. Hurley
James L. Wright, Buffalo News
George M. Richardson, Los Angeles,
Calif., president of the National As-
sociation of Purchasing Agents
Postmaster General Walter F. Brown
German Ambassador, Friedrich von
Prittwitz, to present Richard von
Kuhlmann, former German State
Secretary for Foreign Affairs

J. L. Decell, Jackson, Miss.

Ray Morgan and Don Nixon, Indiana

Lunch—Mr. and Mrs. Leo E. Owens
and Walter H. Newton

Harry Woodyard, West Virginia

Walter S. Gifford, Director of the Presi-
dent's Organization on Unemploy-
ment Relief

Representative Ruth Pratt, New York

J. Clawson Roop, Director of the Budget

Florence Hale, president of the National
Education Association, and delegates

Secretary of State Henry L. Stimson

Dinner—Senator George H. Moses

February 26

Representative C. William Ramseyer,
Iowa

Senator Frederic C. Walcott, Connec-
ticut

Cabinet

T. V. O'Connor, Chairman of the
United States Shipping Board

Representative C. Murray Turpin and
a group from Wilkes-Barre, Pa.

Mrs. Utley and Mrs. Moore, North
Carolina

Lunch—George F. Shafer, Governor of
North Dakota, and Walter H. New-
ton

Washington Correspondents

J. Clawson Roop, Director of the Budget

Secretary of State Henry L. Stimson

Dinner—Secretary of the Treasury
Ogden L. Mills

Charles G. Dawes and Henry J. Allen,
Reconstruction Finance Corporation

February 27

Representative Carl R. Chindblom,
Illinois

Secretary of War Patrick J. Hurley

Secretary of the Treasury Ogden L.
Mills

Secretary of the Interior Ray Lyman
Wilbur

Senator Otis F. Glenn

Representative Thomas A. Jenkins,
Ohio

Edward R. Finch, New York

Secretary of Agriculture Arthur M.
Hyde

Attended funeral of Mrs. Alan F. Wins-
low, accompanied by Secretary to the
President Theodore G. Joslin

Bill signing—Glass-Steagall bill to ex-
pand the facilities of the Federal
Reserve System

February 28

Breakfast—Edgar Rickard

Joseph Sigall, artist

Secretary of Agriculture Arthur M.
Hyde

Lunch—Edgar Rickard

Appendix E

1932

Joseph Sigall, artist
Dinner—Edgar Rickard

February 29

Senator Wesley L. Jones, Washington
Grosvenor M. Jones, Bureau of Foreign
and Domestic Commerce
Albert W. Atwood, Saturday Evening
Post
Franklin W. Fort, former Representa-
tive of New Jersey
Ira E. Bennett, editor of the Washing-
ton Post
Ralph H. Lutz, director of Hoover War
Library, Stanford University
Flem D. Sampson, former Governor of
Kentucky, and his brother
Arlayne Brown, St. Louis, revolver
champion
Lunch—Benjamin N. Cardozo, Asso-
ciate Justice of the Supreme Court of
the United States
Ulric Preston
Secretary of Agriculture Arthur M.
Hyde
William R. Perkins

March 1

Breakfast—Mark Sullivan, journalist
Cabinet
Arthur Krock, New York Times
E. L. Cord, president of Cord Corpo-
ration
Secretary of the Interior Ray Lyman
Wilbur

March 2

Breakfast—Mark Sullivan, journalist
Attorney General William D. Mitchell

Postmaster General Walter F. Brown
Secretary of State Henry L. Stimson
Thomas E. Campbell, President of the
Civil Service Commission
H. Paul Bestor, Federal Farm Loan
Board
William S. Youngman, Lieutenant
Governor of Massachusetts
Frank J. Loesch, Chicago
Katherine G. Langley, former Repre-
sentative of Kentucky
James H. Rand, Jr., president of Rem-
ington Rand Co., and Loring Hoover,
president of the North American
Securities Co. of New York City
Mr. Simson and Mr. Field, Maine
Representative and Mrs. Robert L.
Bacon and Mr. Lovering
Mark Sullivan, journalist
Lunch—Charles G. Dawes, President
of the Reconstruction Finance Cor-
poration
Lawrence Sullivan
Attorney General William D. Mitchell
Secretary of Agriculture Arthur M.
Hyde

March 3

Breakfast—Mark Sullivan, journalist
Secretary of Labor William N. Doak
and Hugh L. Kerwin, Commissioner
of Conciliation
Representative Arthur M. Free, Cali-
fornia
Hamilton Ward, former attorney gen-
eral of New York
Senator Ellison D. Smith, South Caro-
lina

Appendix E

1932

Lenna L. Yost, West Virginia Republican national committeewoman
Helen Kracke, New York
Representative John T. Buckbee, Illinois
J. W. Pole, Comptroller of the Currency
Arthur A. Ballantine, Under Secretary of the Treasury
J. Clawson Roop, Director of the Budget
Theodore C. Wallen, New York Herald Tribune

March 4

Breakfast—Mark Sullivan, journalist
Cabinet
Roy A. Roberts, newspaperman, Kansas City, Mo.
J. E. Hansell, editor of the LaFollette (Tenn.) Press
Ferry K. Heath, Assistant Secretary of the Treasury
Lunch—Senator George H. Moses
Frank T. Hines, Administrator of Veterans' Affairs
Mr. Raymond
Leland C. Speers, New York Times
Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation
George T. Emerson
Secretary of State Henry L. Stimson

March 5

Breakfast—Mark Sullivan, journalist
Senator Daniel O. Hastings, Delaware
Secretary of the Treasury Ogden L. Mills

Representative John Q. Tilson
Stanley Dollar, president of the Dollar Steamship Lines
Senators Robert B. Howell, John B. Kendrick, and John Thomas
Senator Porter H. Dale and Vermont congressional delegation
Charles H. Sherrill
Postmaster General Walter F. Brown
Lunch—John J. Hessian and French Strother
Secretary of the Interior Ray Lyman Wilbur

To Corcoran Art Gallery to view painting of George Washington by Lansdowne
Whiting Williams
Dinner—White House Correspondents at Willard Hotel, accompanied by Theodore G. Joslin
Pressed button in the White House Banquet Room to open the "George Washington Bicentennial Historical Loan Exhibition"

March 6

Breakfast—George Akerson and Charles K. Field
Radio address on hoarding of the currency
Lunch—Secretary of War Patrick J. Hurley and Senator Arthur H. Vandenberg

March 7

Julius Klein, Assistant Secretary of Commerce

Appendix E

1932

Representative Ruth Pratt
Attorney General William D. Mitchell
Representatives Edmund F. Cooke,
Walter G. Andrews, Archie D.
Sanders, James L. Whitley, and James
M. Mead, New York

Chesla C. Sherlock, Philadelphia, Pa.

Polish Ambassador, Tytus Filipowicz,
to present Polish Government stamp
commemorating the 200th anniversary
of the birth of George Washington

Albert H. Lybyer, University of Illinois
Secretary of the Treasury Ogden L.
Mills

J. Clawson Roop, Director of the
Budget

Spanish Ambassador, Juan Francisco
de Cardenas, to present letters of
credence

Secretary of Agriculture Arthur M.
Hyde, James C. Stone, and John
Barton Payne

J. Clawson Roop, Director of the
Budget

Attorney General William D. Mitchell

Henry J. Allen, Assistant to the President
of the Reconstruction Finance
Corporation

Senator Simeon D. Fess

Senator James E. Watson and Representative
Bertrand H. Snell

March 8

Breakfast—Mark Sullivan, journalist

Cabinet

Washington Correspondents

German Ambassador, Friedrich von
Prittwitz, to present Gerhart Hauptmann,
poet

Howard W. Odum and Mary Frances
Odum, North Carolina

Stephen B. Davis, former Solicitor of
the Department of Commerce

Frank Willes

Lunch—Senator Jesse H. Metcalf, S.
G. Metcalf, and M. E. Stone, Rhode
Island

Thomas E. Campbell, President of the
Civil Service Commission

Charles G. Dawes, President of the
Reconstruction Finance Corporation

March 9

Breakfast—Mark Sullivan, journalist
Senator Frederic C. Walcott, Connecticut

Robert H. Patchin

Malcolm D. Whitman, New York

Belgian Ambassador, Paul May, to present
Count de Baillet-Latour

Mr. and Mrs. Anthony J. Drexel Biddle,
Jr.

George Roberts, Special Counsel of the
Reconstruction Finance Corporation

Benjamin Schwartz, director general of
the Institute of Scrap Iron and Steel
and delegation of scrap iron dealers
Southeastern States Vocational Education
delegates

Floyd B. Odum

Col. U. S. Grant, 3d

Lunch—James Owen, Denver, Colo.

LeRoy T. Vernon, Chicago Daily News

Appendix E

1932

John F. Chester, Associated Press
Walter E. Hope, former Assistant Secretary of the Treasury

March 10

Breakfast—Mark Sullivan, journalist
Representative Ruth Pratt, New York
Representative Ruth Bryan Owen, Florida
Samuel E. Winslow, Chairman of the U. S. Board of Mediation
George Sullivan, Minnesota State senator
Frank T. Hines, Administrator of Veterans' Affairs
Representative Charles L. Underhill, Massachusetts
Representative William R. Wood, Indiana
Charles F. Abbott, executive director of the American Institute of Steel Construction
Robert H. Talley, Virginia
Robert H. Lucas, executive director of the Republican National Committee, and William B. Harrison, mayor of Louisville, Ky.
Paul Wooten, New Orleans Times-Picayune
Robert Woods Bliss, United States Ambassador to Argentina
Representative William I. Sirovich, New York
Miss Dove and Miss Parsons
Samuel E. Winslow, Chairman of the U. S. Board of Mediation, and Mr. Miller
Lyman E. Wakefield, Minneapolis banker

Secretary of Commerce Robert P. La-
mont
George Wilson, Los Angeles, Calif.
Secretary of Agriculture Arthur M.
Hyde
Secretary of War Patrick J. Hurley
J. Clawson Roop, Director of the Budget
Secretary of the Treasury Ogden L.
Mills

March 11

Ernest Lee Jahncke, Assistant Secretary of the Navy
Eugene Meyer, Governor of the Federal Reserve Board
Cabinet
S. Wallace Dempsey, former Representative of New York, and Mr. Harrison
John J. Watson, president of the International Agricultural Corporation
James H. Hayes
Senators Hamilton F. Kean and W. Warren Barbour, New Jersey
Knoxville College (Tenn.) debating team
Lunch—Alexander Legge, former Chairman of the Federal Farm Board
Washington Correspondents
Walker S. Buel, Cleveland Plain Dealer
Secretary of State Henry L. Stimson
Senator David A. Reed, Pennsylvania

March 12

Breakfast—Mark Sullivan, journalist
Jesse H. Jones, Reconstruction Finance Corporation

Appendix E

1932

Representatives Henry B. Steagall of Alabama, Charles H. Brand of Georgia, James G. Strong of Kansas, and Robert Luce of Massachusetts

Reconstruction Finance Corporation members, headed by President Charles G. Dawes

Harvey C. Couch, Reconstruction Finance Corporation

Secretary of War Patrick J. Hurley

J. David Houser

Secretary of Agriculture Arthur M. Hyde

Representatives William E. Evans of California and Frederick M. Davenport of New York, and Robert B. Armstrong, Los Angeles Times

Senator Otis F. Glenn

G. Logan Payne, publisher of the San Jose (Calif.) Evening News

Bertha D. Bauer, Illinois Republican national committeewoman

Representative Scott Leavitt and Chief Big Man of Montana

American Alliance of Czechoslovaks, delegates

J. Clawson Roop, Director of the Budget

Postmaster General Walter F. Brown

Secretary of Commerce Robert P. Lamont

March 13

Charles G. Dawes, Morton G. Bogue, Herbert G. Moulton, and George Roberts

Lunch—Dr. and Mrs. Vernon L. Kellogg

Secretary of the Treasury Ogden L. Mills, Secretary of Commerce Robert P. Lamont, Charles G. Dawes, Eugene Meyer, Ernest B. Dane, Daniel Willard, Miles C. Kennedy, Balthasar H. Meyer, Joseph B. Eastman, Charles D. Mahaffie, Ezra Brainerd, Jr., Morton G. Bogue, Herbert G. Moulton, George Roberts, Jesse H. Jones, Harvey C. Couch, Wilson McCarthy, Richard H. Aish-ton, and Edward B. Buckland

Secretary of the Treasury Ogden L. Mills, Secretary of War Patrick J. Hurley, Secretary of Agriculture Arthur M. Hyde, Postmaster General Walter F. Brown, Senator Simeon D. Fess, Walter H. Newton, and Robert H. Lucas

March 14

Breakfast—James F. Burke

Isaac F. Marcossou, journalist

James C. Stone, Chairman of the Federal Farm Board

James E. Freeman, Episcopal Bishop of Washington, D.C.

William S. Hawks

George R. Farnum, former Assistant Attorney General

Association of Hotels, Restaurants, Clubs and Allied Interests, executive committee

J. Clawson Roop, Director of the Budget

Jay G. Hayden, correspondent of Detroit News

Isaac F. Marcossou, journalist

Appendix E

1932

John Barton Payne, Chairman of American National Red Cross

Attended funeral of George C. Hoover
Representative Roy O. Woodruff, Michigan, and James E. Davidson, Michigan Republican national committeeman

David W. Mulvane, Ralph E. Williams, James F. Burke, Daniel E. Pomeroy, Charles D. Hilles, J. Henry Roraback, and Senator Simeon D. Fess

March 15

Representative Bertrand H. Snell, House minority leader

Cabinet

Gridiron Club executive committee, headed by Walker S. Buel, correspondent of the Cleveland Plain Dealer

Mr. and Mrs. Stuart Irwin

Martha McClure, Iowa Republican national committeewoman

Conrad Nagel, president of the Academy of Motion Picture Arts and Sciences

Maurice Pate

Lunch—William F. McDowell, bishop of the Methodist Episcopal Church, Washington, D.C.

Newbold Noyes, Washington Evening Star

Andrew W. Mellon, United States Ambassador to Great Britain

Arthur A. Ballantine, Under Secretary of the Treasury

Secretary of State Henry L. Stimson and Assistant Secretary of State James G. Rogers

Julius Barnes, chairman of the board of the Chamber of Commerce of the United States

Secretary of Labor William N. Doak

Secretary of Agriculture Arthur M. Hyde, and Representatives Gilbert N. Haugen, John D. Clarke of New York, and Fred S. Purnell

Dinner—Mr. and Mrs. Walter E. Hope

March 16

Senators Frederic C. Walcott and John G. Townsend, Jr.

Anthony Czarnecki

Edward B. Clements, Missouri Republican national committeeman

Senator L. J. Dickinson of Iowa and Harlan Miller, Des Moines

Senator Frederick Hale and Maine congressional delegation

David Hinshaw

Representative William Williamson

Representative Homer W. Hall, Illinois
Louis Wiley, New York Times

J. Weston Allen, Massachusetts

Walter S. Mack, Jr., New York

Mrs. Joseph M. Gazzam, Philadelphia, Pa.

Representative Godfrey G. Goodwin, Minnesota, and Mr. Miller

Mrs. Lord

J. Clawson Roop, Director of the Budget

Lunch—Secretary of State Henry L. Stimson, and Thomas W. Lamont

Robert L. O'Brien, Chairman of the United States Tariff Commission

Paul Wooton, New Orleans Times-Picayune

Mr. Scott

Appendix E

1932

Secretary of the Treasury Ogden L. Mills, Eugene Meyer, and George Roberts

Representative John Q. Tilson

Dinner—Mr. and Mrs. French Strother and Mr. and Mrs. Christopher Morley

March 17

Senator David A. Reed, Pennsylvania
Senator Ellison D. Smith, South Carolina, and John T. Woodside

Ralph E. Williams, Oregon

Senator Samuel M. Shortridge, California, Peter Williams, and W. G. Walker

Snell Smith, New York

Ballard Dunn, editor and publisher of the Omaha Journal

Representative Louis Ludlow, Indiana
Michael Francis Doyle, Philadelphia

Lunch—Edwin A. Van Valkenberg

David W. Mulvane, Kansas Republican national committeeman

Louis J. Taber, master of the National Grange

James R. Garfield and Francis C. Wilson, Sante Fe, N. Mex.

Secretary of the Treasury Ogden L. Mills

J. Clawson Roop, Director of the Budget

Secretary of Agriculture Arthur M. Hyde

Postmaster General Walter F. Brown

Secretary of the Treasury Ogden L. Mills, Representatives Bertrand H. Snell and Willis C. Hawley, and Secretary to the President Walter H. Newton

Senator Simeon D. Fess

Dinner—Vice President Charles Curtis and Mr. and Mrs. Edward E. Gann

March 18

Breakfast—Floyd W. Parsons

Cabinet

Charles G. Dawes, President of the Reconstruction Finance Corporation

Lunch—William Wallace Atterbury, president of the Pennsylvania Railroad

Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief

William Wallace Atterbury

Balthasar H. Meyer, Interstate Commerce Commission

Postmaster General Walter F. Brown

Secretary of the Treasury Ogden L. Mills, Charles G. Dawes, Eugene Meyer, Jesse H. Jones, Wilson McCarthy, H. Paul Bestor, Balthasar H. Meyer, and Charles D. Mahaffie

March 19

Breakfast—Mark Sullivan, journalist

Senator Arthur H. Vandenberg, Michigan

Representative Frederick M. Davenport, New York

Arthur Brisbane, editor of the Chicago Herald and Examiner

Senator Edwin S. Broussard and William C. Ermon, president of the New Orleans Homestead Clearing House Association

Esther Everett Lape

Appendix E

1932

Swiss Minister, Marc Peter, to present

Ernest Durig, Swiss sculptor of a bust
of George Washington

Group of boys from Camp Passumsic,
Vt.

J. Clawson Roop, Director of the
Budget

Mr. Gurnee, St. Paul, Minn.

March 20

Lunch—Franklin W. Fort, Mrs.
Charles D. Walcott, and Esther
Smith

March 21

Senator Peter Norbeck, South Dakota
Representative Ruth Pratt, New York

J. Clawson Roop, Director of the
Budget

Secretary of Labor William N. Doak

Representative Royal C. Johnson

Frank B. Noyes, president of the Asso-
ciated Press

Frank T. Hines, Administrator of Vet-
erans' Affairs, and E. E. Thompson
and E. W. Estes, Knights Templar

William H. Hamilton

Pelham D. Glassford, superintendent of
the Washington Police, and Fifi Dor-
say, actress

Representative John W. Boehne, Jr.,
Indiana

Mr. and Mrs. Joe Mitchell Chapple

Secretary of the Interior Ray Lyman
Wilbur

Secretary of the Treasury Ogden L.
Mills

March 22

Breakfast—Mark Sullivan, journalist
T. Frank Joyce, Boston, Mass.

Cabinet

Harry Hyslop, American Relief Ad-
ministration

Henry J. Allen, Assistant to the Presi-
dent of the Reconstruction Finance
Corporation

James Norris, Chicago, Ill.

A. P. Brown

Secretary of Commerce Robert P. La-
mont

March 23

James C. Stone, Chairman of the Fed-
eral Farm Board

Attorney General William D. Mitchell
Representative Randolph Perkins, New
Jersey

Charles H. March, Federal Trade Com-
mission

Henry J. Allen, Assistant to the Presi-
dent of the Reconstruction Finance
Corporation

T. V. O'Connor, Chairman of the
United States Shipping Board

Senator Roscoe C. Patterson, Missouri,
and Dan G. Stewart, Collector of In-
ternal Revenue at Kansas City

John Thomas Taylor and Mark T. Mc-
Kee, American Legion

Senator Frederick Steiwar and Chester
McCarthy

Robert McD. McCracken, former Rep-
resentative of Idaho

Mr. Mallott and Mr. Mussic

Appendix E

1932

Representative Edward W. Goss, Vermont

Representative Wilbur M. White

Lunch—Mr. and Mrs. Gardner Hazen and children and French Strother
Planted a cedar tree from Ferry Farm in Fredericksburg, Va.

James G. Rogers, Assistant Secretary of State

Michael Gallagher, president of Pittston Co., Cleveland, Ohio

Arthur Krock, New York Times

Bennett Gordon

Secretary of the Treasury Ogden L. Mills

Secretary of Agriculture Arthur M. Hyde

Secretary of the Treasury Ogden L. Mills and Representatives Willis C. Hawley, Allen T. Treadway, Isaac Bacharach, Lindley H. Hadley, Charles B. Timberlake, Henry W. Watson, James C. McLaughlin, Carl R. Chindblom, Frank Crowther, Richard S. Aldrich, and Bertrand H. Snell

March 24

Breakfast—Dr. Joel T. Boone

Senator James E. Watson and Representative Fred S. Purnell, Indiana

Pressed electric button launching the Grace Line Steamship *Santa Rosa* at Kearny, N.J.

Jacob Widder, chairman of the Ways and Means Committee of the Silk Association of America and Secretary of Commerce Robert P. Lamont

Representative William Williamson, South Dakota

Joy Elmer Morgan and John Henry MacCracken

British Ambassador, Sir Ronald Lindsay, to present Sir Reginald Hall

J. Matt Chilton, Kentucky Republican national committeeman

John F. Lucey, J. J. Lynch, and Nathan Adams

F. W. Kavanaugh, New York

Harlan Miller and George Olmsted

Secretary of Labor William N. Doak

Julius A. Schmahl, Minnesota

Lunch—Secretary of the Treasury Ogden L. Mills and Keyes Winter of New York

George Akerson, former Secretary to the President

Walter S. Gifford, Director of the President's Organization on Unemployment Relief

John J. Leary, Jr., journalist

Silas H. Strawn, president of the Chamber of Commerce of the United States

J. Clawson Roop, Director of the Budget

Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation

Secretary of the Treasury Ogden L. Mills and Representative Bertrand H. Snell

Dinner—Secretary of the Treasury Ogden L. Mills

March 25

Breakfast—Mark Sullivan, journalist

Appendix E

1932

Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation

Cabinet

Representative Leonidas C. Dyer, Missouri, and Harry P. Rosecan and Hyman G. Stein

John Lord O'Brien, Assistant to the Attorney General and Emanuel Boasberg, Buffalo, N.Y.

Senator L. J. Dickinson and Gerald A. Jewett, Collector of Internal Revenue at Iowa

Lunch—Merlin H. Aylesworth and Lewis E. Pierson

William G. Conley, Governor of West Virginia

Secretary of Agriculture Arthur M. Hyde

Washington Correspondents

Senator George H. Moses, New Hampshire

Secretary of Labor William N. Doak

March 26

Secretary of War Patrick J. Hurley

Representative Charles L. Underhill, Massachusetts

Eugene Meyer, Governor of the Federal Reserve Board

Thad H. Brown, General Counsel of the Federal Radio Commission

Grosvenor M. Jones, Bureau of Foreign and Domestic Commerce

Walter Drake, Chicago, Ill.

Hanford MacNider, United States Minister to Canada

Finnish Minister, Axel L. Astrom, to present Hjalmar Johan Procope, president of the Finnish Paper Mills Association

Frank T. Hines, Administrator of Veterans' Affairs

J. Clawson Roop, Director of the Budget Group of newsboys from Rochester, N.Y.

Representative Frederick M. Davenport, New York

Mr. Miller, Toledo, Ohio

Franklin W. Fort, former Representative of New Jersey

Secretary of Agriculture Arthur M. Hyde

Representative Daniel A. Reed, New York

J. Clawson Roop, Director of the Budget
Charles G. Dawes and Lord Inverforth, director of Lloyds Bank, Ltd., London, England

Dinner—Mrs. Evelyn W. Allan
James H. MacLafferty

March 27

Secretary of War and Mrs. Patrick J. Hurley and Henry J. Allen

Walter H. Newton, Secretary to the President

James H. MacLafferty

Jesse H. Jones, Reconstruction Finance Corporation

Dinner—Senator and Mrs. George H. Moses, Senator and Mrs. David A. Reed, Senator Frederic C. Walcott, and Mrs. Jessup

Appendix E

1932

Charles G. Dawes, President of the Reconstruction Finance Corporation

March 28

Senator Peter Norbeck

Secretary of Commerce Robert P. Lamont

Charles O'Connor, former Representative of Oklahoma

Senator Simeon D. Fess and George C. Havenner

Association of Civic Service Club Executives, executive committee

Chesley Robert Palmer, president of Cluett, Peabody & Co.

Secretary of the Treasury Ogden L. Mills and J. Clawson Roop, Director of the Budget

Nathan David Perlman, former Representative of New York

Grosvenor M. Jones, Bureau of Foreign and Domestic Commerce

Senator Arthur H. Vandenberg, Michigan

Owen D. Young, chairman of the board of the General Electric Co.

Senator Walter F. George, Georgia

Senator Phillips Lee Goldsborough

Senator David A. Reed, Pennsylvania

Senator Daniel O. Hastings, Delaware

James L. Walsh, Detroit

Percy A. Rockefeller

March 29

Breakfast—Mr. and Mrs. Mark Sullivan
Secretary of the Treasury Ogden L. Mills

Cabinet

Washington Correspondents

Matthew E. Hanna, United States Minister to Nicaragua

James N. Rosenberg and son Robert

Representative J. Roland Kinzer and Lancaster High School Class of 1891

Lunch—Norman H. Davis, delegate to the General Disarmament Conference

J. Clawson Roop, Director of the Budget

Andrew W. Mellon, United States Ambassador to Great Britain

Senator David A. Reed, Pennsylvania

Secretary of the Treasury Ogden L. Mills

Dinner—Gen. John J. Pershing

March 30

Representative Robert G. Simmons, Nebraska

Representative Emanuel Celler

Representative Ruth Pratt and Mrs. Walter Gibbs

C. R. Branch

Lunch—John R. Mott, president of the World's Conference of Young Men's Christian Associations

Quaker Relief Committee

Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief

Mr. Healy

James F. Burke, general counsel of the Republican National Committee

Norman H. Davis, delegate to the General Disarmament Conference

Dinner—Mr. and Mrs. Samuel Crowther

Secretary of Agriculture Arthur M. Hyde

Appendix E

1932

March 31

Breakfast—Mark Sullivan and Mr. and Mrs. Samuel Crowther

Postmaster General Walter F. Brown

Representative C. William Ramseyer

Senator Hiram Bingham

Secretary of the Treasury Ogden L. Mills

J. Clawson Roop, Director of the Budget

Senator Hamilton F. Kean, Representative Frederick R. Lehlbach, and Joseph E. Scott

Representative Hamilton Fish, Jr., New York

Stanley High, editor of the Christian Herald

Olney Redmond

Caroline Bayard Wittpenn, U.S. member of the International Prison Commission

Spanish Ambassador, Juan Francisco de Cardenas, to present Abelardo Fernandez Arias, Spanish newspaperman

Francis J. Plym, Niles, Mich.

Clifford W. Barnes, Chicago, Ill.

Harvey C. Couch, Reconstruction Finance Corporation

Presented the Collier Trophy to the Packard Motor Car Co.

Senator Arthur R. Robinson, Indiana

Lunch—Mr. and Mrs. Lawrence C. Phipps

Arthur Brisbane, editor of the Chicago Herald and Examiner

Secretary of the Interior Ray Lyman Wilbur

J. Clawson Roop, Director of the Budget
Secretary of Agriculture Arthur M. Hyde

Secretary of State Henry L. Stimson and
Secretary of the Treasury Ogden L. Mills

April 1

Breakfast—Mark Sullivan, journalist
Cabinet

William R. Castle, Jr., Under Secretary of State

Frank B. Kellogg, former Secretary of State

Jeremiah Milbank

Washington Correspondents

Frederic William Wile, broadcast journalist

James R. Garfield, former Secretary of the Interior

Secretary of the Treasury Ogden L. Mills and Senator David A. Reed

Dinner—Bruce Barton

April 2

Senators James E. Watson and Arthur R. Robinson

Secretary of War Patrick J. Hurley

Postmaster General Walter F. Brown

Senator Reed Smoot

Senator Arthur H. Vandenberg

Representative Scott Leavitt

Charles H. Sherrill, United States Ambassador to Turkey

George C. Shaffer, Washington florist

Secretary of Agriculture Arthur M. Hyde

Appendix E

1932

Secretary of the Treasury Ogden L. Mills

Dinner—Mr. and Mrs. Ward Bannister

April 3

Breakfast—Mr. and Mrs. Ward Bannister

Frank B. Kellogg, former Secretary of State

Lunch—Will H. Hays and Herbert Kaufman

Wesley L. Jones, former Senator of Washington

Secretary of State Henry L. Stimson

Dinner—Senator and Mrs. Felix Hebert and Senator and Mrs. Daniel O. Hastings

April 4

Breakfast—Mark Sullivan, journalist

J. Clawson Roop, Director of the Budget

C. Bascom Slep

J. Clawson Roop, Director of the Budget

Representative Don B. Colton, Utah

George H. Carnahan, president of Intercontinental Rubber Co.

Representative Burton L. French and M. P. Bailey, State game warden of Utah

Roy R. Gill

Veterans' Administration group, headed by Frank T. Hines, Administrator of Veterans' Affairs

Lunch—Frank E. Gannett

Norman H. Davis, delegate to the General Disarmament Conference

Senator Otis F. Glenn, Illinois

Attorney General William D. Mitchell

Secretary of War Patrick J. Hurley
Norman H. Davis, delegate to the General Disarmament Conference

Julius Barnes, chairman of the board of the Chamber of Commerce of the United States

April 5

Breakfast—Mark Sullivan, journalist
Cabinet

Washington Correspondents

Frank T. Hines, Administrator of Veterans' Affairs, and Mark T. McKee

Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation

Senator J. Hamilton Lewis

Julian E. Gillespie, commercial attaché to Turkey

Lunch—Mr. and Mrs. H. C. Nelson, California

Gutzon Borglum, sculptor

Secretary of the Interior Ray Lyman Wilbur

Charles G. Dawes, President of the Reconstruction Finance Corporation

James F. Burke, general counsel of the Republican National Committee

Senator David A. Reed, Pennsylvania

Senator Reed Smoot, Utah

Dinner—Secretary of War and Mrs. Patrick J. Hurley at their residence

April 6

Breakfast—Mark Sullivan, journalist

Appendix E

1932

<p>Postmaster General Walter F. Brown J. Clawson Roop, Director of the Budget Secretary of Commerce Robert P. Lamont Senator Otis F. Glenn, Illinois Secretary of Labor William N. Doak Representative Robert G. Simmons Jean Harlow Ward Bannister, Denver, Colo. Mrs. Nathaniel Thayer, Massachusetts Republican national committee-woman Charles H. Martin, Massachusetts Clarke Griffith, owner of the Washington baseball club Representatives Donald B. Partridge, Donald F. Snow, and John E. Nelson, Maine Mt. Union College Glee Club, Alliance, Ohio Boy Rangers of America G. P. Scharl, Grand Rapids George R. Wales, Civil Service Commission, and Frank D. Abell, president of the First National Bank of Morristown, N.J. James C. Stone, Chairman of the Federal Farm Board Reviewed Army Day parade Secretary of State Henry L. Stimson Dinner—Representative and Mrs. James M. Beck and Mr. and Mrs. Adolph C. Miller Admiral and Mrs. William S. Sims</p>	<p>Secretary of the Treasury Ogden L. Mills J. Clawson Roop, Director of the Budget Representative Leonidas C. Dyer, Missouri Representative Allen T. Treadway, Massachusetts Lionel Danforth Edie, Capital Research Co. of New York Representative Robert L. Bacon and Robert Lee Schuyler Merritt, former Representative of Connecticut Gutzon Borglum and Lester P. Barlow Cadets of the Merchant Marine Training Ship, U.S.S. <i>California State</i> Edward N. Hurley, Chicago Joseph W. Molyneaux, U.S. District Judge, Minneapolis Lunch—Admiral William S. Sims and Col. John F. Lucey Secretary of War Patrick J. Hurley John Callan O'Laughlin Secretary of the Navy Charles F. Adams Representative Frederick W. Dallinger, Massachusetts J. Clawson Roop, Director of the Budget Secretary of the Treasury Ogden L. Mills and Administrator of Veterans' Affairs Frank T. Hines Marshall W. Tuthill, New York Myron C. Taylor Diner—Admiral and Mrs. William S. Sims</p>
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April 7

Representative Bertrand H. Snell,
House minority leader

April 8

Secretary of State Henry L. Stimson
Cabinet

Appendix E

1932

British Ambassador, Sir Ronald Lindsay, to present Sir Harold Bellman,* chairman of the International Congress of Building Societies

Charles Shambaugh, Indiana

Philadelphia Federation of Women's Clubs and Allied Organizations

George Washington essay contest for New Jersey high school students, winners

Future Farmers of America, delegation
J. Clawson Roop, Director of the Budget

Earle S. Kinsley, Vermont Republican national committeeman

Lunch—Mr. and Mrs. Leland W. Cutler

Gen. Douglas MacArthur, Chief of Staff of the Army

Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation

Secretary of the Treasury Ogden L. Mills and Director of the Budget J. Clawson Roop

April 9

J. Clawson Roop, Director of the Budget

Secretary of the Treasury Ogden L. Mills

House of Representatives Select Committee on Economy, Secretary of the Treasury Ogden L. Mills, Postmaster General Walter F. Brown, and Secretary of the Interior Ray Lyman Wilbur

Representative Patrick H. Drewry and committee representing the Petersburg (Va.) National Military Park Commission

House of Representatives Select Committee on Economy, Secretary of the Treasury Ogden L. Mills, Postmaster General Walter F. Brown, and Secretary of the Interior Ray Lyman Wilbur

Dinner—Gridiron Club at the Willard Hotel, accompanied by Theodore G. Joslin and Jay N. Darling

April 10

Breakfast—Mr. and Mrs. Jay N. Darling

John F. Chester, Associated Press

Lunch—Frank Knox, publisher of the Chicago Daily News

Charles G. Dawes and Jesse H. Jones, Reconstruction Finance Corporation
Senator Frederic C. Walcott

Dinner—Senator and Mrs. William E. Borah

April 11

Breakfast—Mark Sullivan, journalist
Postmaster General Walter F. Brown
Harvey C. Couch, Reconstruction Finance Corporation

Eugene Meyer, Governor of the Federal Reserve Board

American National Red Cross, annual meeting, opening address

Henry P. Fletcher, former Chairman of the United States Tariff Commission

Appendix E

1932

- Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief
Representative Lewis W. Douglas, Arizona, and Frank H. Hitchcock, former Postmaster General
Willis J. Abbott, editor of the *Christian Science Monitor*
William S. Lee, American Engineering Council, and Lawrence W. Wallace
Secretary of the Treasury Ogden L. Mills
Gen. James A. Drain
Robert Mallett, Sacramento, Calif.
Adolph Lewisohn
Darold D. DeCoe, commander in chief of the Veterans of Foreign Wars, and Betty Joan Christian, to present first "Buddy Poppy"
Senators Hamilton F. Kean and W. Warren Barbour of New Jersey, Representative Isaac Bacharach of New Jersey, and Betty Thompson Hanna
William J. Vereen, Georgia
Mr. Koenig
Representative Robert G. Simmons
William R. Castle, Jr., Under Secretary of State
Attended opening baseball game at Griffith Stadium between Washington and Boston
Dr. Taylor
Senator Arthur R. Robinson, Arkansas
Dinner—Chief Justice and Mrs. Charles Evans Hughes
- April 12*
Representative C. William Ramseyer
Jesse H. Jones and Harvey C. Couch, Reconstruction Finance Corporation
- Secretary of the Treasury Ogden L. Mills
Cabinet
Washington Correspondents
Mr. Sterling, Portland, Oreg.
Henry Morgenthau, former United States Ambassador to Turkey
Senator Robert D. Carey, Wyoming
George McDonald, New York
Harry F. Burgess, Governor of the Panama Canal
Senator Frederick Steiwer
J. Clawson Roop, Director of the Budget
James G. Rogers, Assistant Secretary of State, and Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation
J. Clawson Roop, Director of the Budget
Secretary of the Treasury Ogden L. Mills
Senator Peter Norbeck, North Dakota
- April 13*
Breakfast—Mark Sullivan, journalist
Robert Choate, Boston, Mass.
Mrs. Albert H. Vestal
Charlton Ogburn
A. C. Backus and Mr. Euline
E. E. Hume, Frankfort, Ky.
Mr. and Mrs. Russell Davis, Massachusetts
Edna B. Conklin
Postmaster General Walter F. Brown
House of Representatives Select Committee on Economy

Appendix E

1932

April 14

Breakfast—Mark Sullivan, journalist
Charles G. Dawes, President of the Reconstruction Finance Corporation
Secretary of the Treasury Ogden L. Mills

Eugene Meyer, Governor of the Federal Reserve Board

Representative Sol Bloom, New York
J. Clawson Roop, Director of the Budget
Advertising Federation of America,
Gilbert T. Hodges and committee

George Barr Baker

Joseph C. Grew, United States Ambassador to Japan

Mr. and Mrs. Calder, Southampton
C. W. Hunt, former Chairman of the Federal Trade Commission

Frank H. Hitchcock, former Postmaster General, and C. B. Wilson
Lunch—Secretary of Agriculture Arthur M. Hyde

Joseph R. Nutt and James F. Burke, Republican National Committee

Walter S. Gifford, Director of the President's Organization on Unemployment Relief

J. Clawson Roop, Director of the Budget

April 15

Breakfast—Mark Sullivan, journalist
J. Clawson Roop, Director of the Budget

Senator Royal S. Copeland
Cabinet

Allan Fox

Ely Culbertson

Earl C. Sams, president of J. C. Penney Co.

Joseph R. Nutt, treasurer of the Republican National Committee

Harry L. Hosford, artist

National Association of Credit Men.
conference delegates

Lawrence T. Stevenson, president of the National Association of Real Estate Boards

Mr. Carruth

American Band Masters Association, members

Mrs. Frederick R. Pettit, California

J. Clawson Roop, Director of the Budget

Franklin W. Fort, former Representative of New Jersey

E. W. Kemmerer, economist of Princeton University

Walter S. Buel, Cleveland Plain Dealer
Washington Correspondents

Secretary of the Treasury Ogden L. Mills and Director of the Budget J. Clawson Roop

Col. Robert

April 16

Representative Lewis W. Douglas, Arizona

Dwight F. Davis, former Governor General of the Philippine Islands

Representative James G. Strong, Kansas
William R. Castle, Jr., Under Secretary of State

George Akerson, former Secretary to the President

Charles K. Field

Raymond C. Walker, Harrisburg, Pa.

Appendix E

1932

Col. Couzan
Miss Hogan, South Dakota
Boy Scout Troop No. 26 of Wilkes-Barre, Pa.
Representative Hatton H. Sumners, Texas
Representative Bertrand H. Snell, House minority leader
Secretary of Commerce Robert P. Lamont
Secretary of the Treasury Ogden L. Mills
Secretary of Agriculture Arthur M. Hyde

April 17

Secretary of the Treasury Ogden L. Mills, Federal Reserve Board Governor Eugene Meyer, and Charles G. Dawes, President of the Reconstruction Finance Corporation
Dinner—Justice and Mrs. Harlan Fiske Stone, General and Mrs. William D. Connor, Mr. and Mrs. Ernest I. Lewis, Mr. and Mrs. Henry Russell, and Col. Campbell B. Hodges

April 18

Breakfast—Mark Sullivan, journalist
Representative Bertrand H. Snell, House minority leader
Secretary of the Treasury Ogden L. Mills
Charles F. Porter and James J. Patchell
Secretary of War Patrick J. Hurley
Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief

Representative Harold Knutson and Minnesota congressional delegation
J. Leonard Replogle
Wade H. Ellis, former Assistant Attorney General
A. C. Backus
Senator David A. Reed, Pennsylvania
Raymond Benjamin, assistant chairman of the Republican National Committee

April 19

Breakfast—Mark Sullivan, journalist
J. Clawson Roop, Director of the Budget, and Mr. Graves
Cabinet
British Ambassador, Sir Ronald Lindsay, to present Sir William Clark, High Commissioner for the United Kingdom in Canada
James F. Burke, William P. Witherow, and Frank F. Brooks
John G. Winant, Governor of New Hampshire
John Harris, Florida
W. Cameron Forbes, former United States Ambassador to Japan
Dinner—Attorney General and Mrs. William D. Mitchell

April 20

Postmaster General Walter F. Brown
Attended funeral services for Senator William J. Harris of Georgia
James H. Rand, Jr., president of Remington Rand Co.
Senator Simeon D. Fess and committee of Ohio businessmen

Appendix E

1932

Lillian Feickert and group of New Jersey women
S. A. Perkins and daughter, Washington, D.C.
Belle Sherwin, president of the National League of Women Voters
Senator Warren R. Austin, Vermont
A. Ritchie Low, pastor of the United Church of Colchester, Vt.
Mrs. George Horace Lorimer
Representative Francis Seiberling, Ohio
Floyd Gibbons, journalist
Allen Sinsheimer
Senator Robert F. Wagner, New York, and Fanny Hurst
Representative Pehr G. Holmes, Massachusetts, and Mrs. George W. Knowlton
Representative Gale H. Stalker, New York
Dorothy Mackaill
Women's National Committee for Law Enforcement, Mrs. Henry W. Peabody and delegation
Allison V. Armour, Department of Agriculture
Mr. McGregor, Minneapolis
Albert W. Atwood, writer for the Saturday Evening Post
Postmaster General Walter F. Brown
Secretary of the Treasury Ogden L. Mills
Arthur Krock and Frank Kent, newspapermen

Senator Otis F. Glenn, Illinois
Frank E. Gannett
Stuart W. Cramer
Senator Thomas D. Schall and Representative Harold Knutson
D. C. Henny, Portland, Oreg.
Mrs. Frank B. Noyes
Secretary of Labor William N. Doak and Ernest A. Durguières of New Orleans
Federation of Women's Clubs of Delaware County, Pa., delegation
Winners of the "Best Citizens" contest in the Florida schools
Karl A. Bickel, president of United Press
National Society of Children of the American Revolution, delegates
William F. Bigelow, editor of Good Housekeeping
James C. Stone and Stanley F. Reed, Federal Farm Board
J. Clawson Roop, Director of the Budget
Postmaster General Walter F. Brown
Senator Ellison D. Smith, South Carolina
Raymond Benjamin, assistant chairman of the Republican National Committee
Dinner—Mr. and Mrs. Frank W. Buxton
American Society of Newspaper Editors, members

April 21

Breakfast—Charles D. Hilles, New York Republican national committee-man

April 22

Breakfast—Mark Sullivan and Mr. and Mrs. Frank W. Buxton

Appendix E

1932

Fred C. Croxton, Assistant Director of
the President's Organization on Un-
employment Relief

Senator Samuel M. Shortridge, Cali-
fornia

Secretary of War Patrick J. Hurley
Cabinet

William B. Greeley, secretary-manager
of the West Coast Lumbermen's As-
sociation

H. Paul Bestor and Vulosko Vaiden,
Federal Farm Loan Board

Franklin W. Fort, former Representa-
tive of New Jersey

Lunch—John B. Chapple, managing
editor of the Ashland (Wis.) Daily
News

Washington Correspondents

Secretary of the Interior Ray Lyman
Wilbur

Secretary of Agriculture Arthur M.
Hyde

Dinner—Mr. and Mrs. William Allen
White

April 23

Breakfast—Mr. and Mrs. William Allen
White

J. N. Heiskell, editor of the Little Rock
(Ark.) Gazette

Secretary of the Treasury Ogden L.
Mills

Hugh Wallace, Florida

Mark Woods, Nebraska

J. Clawson Roop, Director of the
Budget

Mr. Murphy, Superior, Wis.
George Barr Baker

Attended dedication of the Folger
Shakespeare Library

Secretary of Agriculture Arthur M.
Hyde

Anthony Czarnecki

Col. Campbell B. Hodges, Military
Aide to the President

J. Clawson Roop, Director of the
Budget

April 24

Lunch—Mr. and Mrs. Charles G.
Dawes and Alice Roosevelt Long-
worth

Secretary of the Treasury Ogden L.
Mills, Reconstruction Finance Cor-
poration President Charles G. Dawes,
Secretary to the President Walter H.
Newton, and Representatives Ber-
trand H. Snell, Allen T. Treadway,
Homer Hoch, William Hull, Carl E.
Mapes, C. William Ramseyer, James
S. Parker, Burton L. French, Lindley
H. Hadley, Carl G. Bachmann, Wil-
liam Williamson, James G. Strong,
Robert Luce, Willis C. Hawley, Earl
C. Michener, Arthur M. Free, and
John Q. Tilson

April 25

Postmaster General Walter F. Brown
J. Clawson Roop, Director of the
Budget

Eugene Meyer, Governor of the Fed-
eral Reserve Board

Mrs. Frank Funk

Lunch—Henry J. Haskell, editor of the
Kansas City Star

Appendix E

1932

J. Clawson Roop, Director of the Budget
Secretary of Labor William N. Doak
Isaac F. Marcossou, journalist
David Lawrence, president of the U.S. Daily

Warren Delano Robbins

Daniel A. Poling, president of the International Interdenominational Christian Endeavor Society

Dinner—Arthur A. Ballantine, Under Secretary of the Treasury

April 26

Senator Arthur Capper, Kansas

John N. Willys, United States Ambassador to Poland

Henry Ford, president of Ford Motor Co.

Cabinet

Winthrop Murray Crane

Herman Bernstein, United States Minister to Albania

Alfred H. Kirchhofer, managing editor of the Buffalo News

Canadian Counselor, Hume Wrong, to present Canadian Davis Cup Team

Chicago Czech group

National Society of the Daughters of 1812, delegation

Portsmouth, N.H., schoolteachers

Senator Simeon D. Fess and Thomas D. Taggart

Miss Willcuts and Miss Jones

Lunch—Herbert Johnson

Ernest Lee Jahncke, Assistant Secretary of the Navy

J. Clawson Roop, Director of the Budget

Harvey C. Couch, Reconstruction Finance Corporation

Raymond Benjamin, assistant chairman of the Republican National Committee

Dinner—Postmaster General and Mrs. Walter F. Brown

April 27

Departed for Richmond, Va.

Addressed the 24th Annual Conference of Governors

Returned to Washington, D.C.

Senator Frederic C. Walcott

April 28

Senator James E. Watson, Senate majority leader

Edwin A. Van Valkenberg

Gutzon Borglum, sculptor

Harvey French Knight, St. Louis, Mo.

Levi T. Pennington, president of Pacific College, Newberg, Oreg.

Frank T. Hines, Administrator of Veterans' Affairs

Irwin B. Laughlin, United States Ambassador to Spain

Presented gold medals to winners of 1931 Better Homes competition

Mrs. C. William Ramseyer and Mrs. James Powell

Secretary of the Interior Ray Lyman Wilbur

Paul Wooton, McGraw-Hill Publishing Co., and Wallace Thompson, editor of Ingenieria Internacional

John C. Cooper

Allan Fox

Appendix E

1932

Lunch—Mr. and Mrs. H. C. Ogden,
Mrs. H. C. Folger, and Margaret
Wells
George Booth, Worcester, Mass.
William J. Vereen, Georgia
Secretary of the Treasury Ogden L.
Mills
J. Clawson Roop, Director of the
Budget
Eugene Meyer, Governor of the Fed-
eral Reserve Board
Dinner—Annual Conference of Gov-
ernors

April 29

Breakfast—Mark Sullivan, journalist
James P. Goodrich, former Governor of
Indiana
Guy Emerson, vice president of the
Bankers Trust Co. of New York City
Cabinet
Frederick B. Balzar, Governor of Ne-
vada
George F. Shafer, Governor of North
Dakota
Mr. Savage and Mr. Faubel
Louis L. Emmerson, Governor of Illi-
nois
T. H. Cutler, president of the American
Road Builders' Association
James Rolph, Jr., Governor of Cali-
fornia
British Ambassador, Sir Ronald Lind-
say, to present John Walter of the
London Times
Milton J. Foreman, Chicago, Ill.
Representative Gale H. Stalker, New
York

Hugh Corrigan, Fargo, N. Dak.

Lunch—Walter S. Gifford, Director of
the President's Organization on Un-
employment Relief

Dan W. Turner, Governor of Iowa

Postmaster General Walter F. Brown

Henry Stewart Caulfield, Governor of
Missouri

James C. Stone, Chairman of the Fed-
eral Farm Board, and George S. Mil-
nor, Farmers National Grain Cor-
poration

Franklin W. Fort, former Representa-
tive of New Jersey

Albert Shaw

Julius Barnes, chairman of the board of
the Chamber of Commerce of the
United States

April 30

Breakfast—Secretary of the Interior and
Mrs. Ray Lyman Wilbur, Mr. and
Mrs. Mark Sullivan, Dr. and Mrs.
Joel T. Boone, Robert A. Millikan,
and Lawrence Richey

Traveled to Rapidan Camp, Va., with
breakfast guests

Rapidan Camp, Va.—Justice and Mrs.
Harlan Fiske Stone, Attorney Gen-
eral and Mrs. William D. Mitchell,
Assistant Secretary of the Navy and
Mrs. Ernest Lee Jahncke, Under Sec-
retary of the Treasury and Mrs.
Arthur A. Ballantine, Assistant Sec-
retary of the Treasury Ferry K. Heath,
and Mr. and Mrs. Walter H. Newton

Appendix E

1932

May 1

Returned from Rapidan Camp, Va.
Secretary of the Treasury Ogden L. Mills, Reconstruction Finance Corporation President Charles G. Dawes, Federal Reserve Board Governor Eugene Meyer, Harvey C. Couch, Jesse H. Jones, Wilson McCarthy, H. Paul Bestor, Morton G. Bogue, William Wallace Atterbury, Owen D. Young, Otto H. Kahn, Jerome J. Hanauer, and Albert J. County

May 2

Breakfast—Secretary of the Treasury Ogden L. Mills and Russell C. Leffingwell
Secretary of War Patrick J. Hurley
Representative Bertrand H. Snell, House minority leader
Representative John Q. Tilson
J. Clawson Roop, Director of the Budget
Jesse H. Jones, Reconstruction Finance Corporation
Charles McK. Saltzman, Chairman of the Federal Radio Commission
Belgian Ambassador, Paul May, to present Maurice Lippens
American Bar Association, executive committee and Guy A. Thompson, chairman
Harvey C. Couch, Reconstruction Finance Corporation
Representative Richard Yates, Illinois
Thomas E. Campbell, President of the Civil Service Commission
Warren Olney, Jr.
Mr. Levinson, San Francisco

Lunch—Carl W. Jones, publisher of the Minneapolis Journal and Walter H. Newton

Secretary of State William R. Castle, Jr., Secretary of the Navy Charles F. Adams, Assistant Secretary of State Francis White, and Edwin C. Wilson, Chief of the Division of Latin American Affairs, Department of State

Secretary of the Treasury Ogden L. Mills

Frank T. Hines, Administrator of Veterans' Affairs

Jay G. Hayden, Detroit News

Raymond Benjamin, assistant chairman of the Republican National Committee

Representatives Bertrand H. Snell, C. William Ramseyer, Earl C. Michener, and William Williamson, Secretary of the Treasury Ogden L. Mills, Director of the Budget J. Clawson Roop, and Secretary to the President Walter H. Newton.

May 3

Breakfast—Clarence B. Kelland, author Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation

Cabinet

Senators Duncan U. Fletcher and Park Trammell, Representative Ruth Bryan Owen, Florida congressional membership

U. S. Grant, 3d, Director of Public Buildings and Public Parks of the National Capital

Appendix E

1932

Lunch—James F. Burke, general counsel of the Republican National Committee

Eugene Meyer, Governor of the Federal Reserve Board

George Benton Wilson

Senator W. Warren Barbour, New Jersey, and J. Cheever Cowdin, vice president of Bancamerica Blair

Louis J. Taber, master of the National Grange

Dinner—Secretary of the Navy and Mrs. Charles F. Adams

May 4

Breakfast—Mark Sullivan, journalist
W. Kingsland Macy, New York Republican national committeeman

Guy Emerson, vice president of the Bankers Trust Co. of New York City
Mrs. Sidney C. Brown, Tampa, Fla.

Representative William R. Eaton and John T. Adams of Colorado

United States Building and Loan League, delegation headed by H. M. Bodfish

National Women's Party, headed by Mrs. Stephen Pell of New York and Mrs. Harvey W. Wiley of Washington

Columbian Republican League, delegation

Secretary of War Patrick J. Hurley, Major Stone, and George H. Borst

Secretary of the Treasury Ogden L. Mills and Federal Reserve Board Governor Eugene Meyer

Lunch—Secretary of the Treasury Ogden L. Mills

Charles D. Hilles, New York Republican national committeeman

J. Clawson Roop, Director of the Budget

Secretary of Commerce Robert P. Lamont

J. Clawson Roop, Director of the Budget

Secretary of the Treasury Ogden L. Mills

May 5

Breakfast—Mark Sullivan and Dr. Joel T. Boone

Senator George H. Moses, New Hampshire

Representative Bertrand H. Snell, House minority leader

Archibald B. Roosevelt, secretary of the National Economy League and Mr. Livingston

J. Clawson Roop, Director of the Budget

LeRoy T. Vernon, Chicago Daily News

J. Clawson Roop, Director of the Budget

Secretary of the Treasury Ogden L. Mills

Representative Richard J. Welsh, California

T. V. O'Connor, Chairman of the United States Shipping Board

Senator Phillips Lee Goldsborough and committee from Washington College, Chestertown, Md., headed by Paul E. Tittsworth, president

French Ambassador, Paul Claudel, to present Michel Clemenceau of France

Appendix E

1932

- David Baird, Jr., former Senator of New Jersey
Representative Hull, Illinois
F. W. Pickard, Wilmington, Del.
J. Matt Chilton and Walter S. Hallanan, Republican National Committee
Representative Addison T. Smith and T. B. Lee
Association of Childhood Education, delegation
Ferry K. Heath, Assistant Secretary of the Treasury
State Federation of Pennsylvania Women
Ernest Lee Jahncke, Assistant Secretary of the Navy
Representative Robert G. Simmons, Nebraska
Lunch—Arthur Brisbane, editor of the Chicago Herald and Examiner
J. Clawson Roop, Director of the Budget
James R. Garfield, former Secretary of the Interior
Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation
Dinner—Dr. and Mrs. Bernard N. Smith and F. G. Bonfils
- May 6*
- Breakfast—Mark Sullivan, Dr. and Mrs. Bernard N. Smith, and F. G. Bonfils
Senator James E. Watson, Senate majority leader
Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation
Eugene Meyer, Governor of the Federal Reserve Board
Cabinet
Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief
Walter E. Hope, former Assistant Secretary of the Treasury
Spanish Ambassador, Juan Francisco de Cardenas, to present Commander J. L. Cortejo
Office Equipment Manufacturers Institute, W. D. M. Summers, president, and committee
Judson Hannigan, president of the Republican Club, Massachusetts
Henderson Settlement School, Linda, Ky., pupils
Mr. Childs, Chicago, Ill.
Col. Brown, Florida
Edward Cavanaugh, Philadelphia's outstanding boy in connection with Boys' Week
Secretary of the Treasury Ogden L. Mills
Lunch—Secretary of the Treasury Ogden L. Mills and Walter E. Hope
Washington Correspondents
Senator James J. Davis, Pennsylvania
Secretary of Agriculture Arthur M. Hyde, Lawrence M. Hyde, and Frank E. Atwood
Ernest Lee Jahncke, Assistant Secretary of the Navy, and Porter J. McCumber, International Joint Commission
Representative John Q. Tilson
Dinner—Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation

Appendix E

1932

May 7

Secretary of War Patrick J. Hurley
Julius Klein, Assistant Secretary of
Commerce

LeRoy T. Vernon, Chicago Daily News
Senator Wesley L. Jones, Washington
Secretary of the Treasury Ogden L.
Mills

Senator Thomas D. Schall, Minnesota,
and Curtis M. Johnson, Collector of
Customs at the Duluth District

Secretary of the Interior Ray Lyman
Wilbur

J. Clawson Roop, Director of the
Budget

Vice President Charles Curtis, Secre-
tary of the Treasury Ogden L. Mills,
Senators Reed Smoot, James E. Wat-
son, Hiram Bingham, and L. J.
Dickinson, and Secretary to the Pres-
ident Walter H. Newton

May 8

Lunch—Senators George H. Moses and
Frederic C. Walcott

Mark Sullivan, journalist

Charles G. Dawes, President of the Re-
construction Finance Corporation

Senators Wesley L. Jones, Frederick
Hale, Henry W. Keyes, Tasker L.
Oddie, Frederick Steiwar, Porter H.
Dale, and L. J. Dickinson, and Sec-
retary of the Treasury Ogden L.
Mills

May 9

Frank T. Hines, Administrator of Vet-
erans' Affairs

Charles G. Dawes, President of the Re-
construction Finance Corporation

Representatives Randolph Perkins and
Andrew L. Somers

Representatives Allard H. Gasque and
William F. Kopp

Charles C. Carlin, former Representa-
tive of Virginia

Swiss Minister, Marc Peter, to present
Professor Eugene Borel

Representative Chester C. Bolton, Ohio
Melvin Hazen, president of the Na-
tional Capital Horse Show

Nathan L. Miller, former Governor of
New York

Representative Chester C. Bolton, Ohio
Horace M. Stone, New York

Eugene Meyer, Governor of the Federal
Reserve Board

J. Clawson Roop, Director of the
Budget

Howard Osterhout, New York

Lunch—Senator Simeon D. Fess

Secretary of the Interior Ray Lyman
Wilbur

Harvey C. Couch, Reconstruction Fi-
nance Corporation

Senator Felix Hebert, Rhode Island

May 10

Senator Daniel O. Hastings, Delaware
Cabinet

Washington Correspondents

Senator Carl Hayden, Arizona

Grand Masters of the Masons

Paulist choristers of New York City

Lunch—Mr. and Mrs. Milton J. Esberg

Secretary of War Patrick J. Hurley

Appendix E

1932

William R. Castle, Jr., Under Secretary of State
Secretary of the Treasury Ogden L. Mills
J. Clawson Roop, Director of the Budget
Dinner—Secretary of the Interior and Mrs. Ray Lyman Wilbur

May 11

Breakfast—Secretary of the Treasury Ogden L. Mills, Director of the Budget J. Clawson Roop, Secretary to the President Walter H. Newton, and Senators Wesley L. Jones, Hiram Bingham, L. J. Dickinson, James F. Byrnes, Sam G. Bratton, and Kenneth McKellar
Conference with Special Senate Economy Committee
Representative Ruth Pratt and William H. Hill, Binghamton, N.Y.
Senators Walter F. George and John S. Cohen, Georgia
Representative James S. Parker, New York
Southern motion picture engineers
Hi-Y Club of Raleigh, N.C., members
Fiske Jubilee Singers
Charles G. Dawes, President of the Reconstruction Finance Corporation, and Secretary of the Treasury Ogden L. Mills
Lunch—William Stern, North Dakota
J. Clawson Roop, Director of the Budget, and Frank T. Hines, Administrator of Veterans' Affairs
Roy W. Howard, publisher of Scripps-Howard newspapers

Postmaster General Walter F. Brown
Secretary of Commerce Robert P. La-
mont
Secretary of the Treasury Ogden L. Mills
Dinner—Senator and Mrs. Charles L. McNary

May 12

Breakfast—Senator James E. Watson, Senate majority leader
Secretary of the Treasury Ogden L. Mills
Eugene Meyer, Governor of the Federal Reserve Board
Charles G. Dawes, President of the Reconstruction Finance Corporation
Senator Joseph T. Robinson
James R. Beverley, Governor of Porto Rico
Lunch—Capt. Russell Train, Col. Campbell B. Hodges, Dr. Joel T. Boone, Walter H. Newton, and Lawrence Richey
Attended dedication of the George Washington Masonic National Memorial in Alexandria, Va.
Secretary of the Treasury Ogden L. Mills
J. Clawson Roop, Director of the Budget
Arthur Krock, New York Times
Secretary of the Treasury Ogden L. Mills
Eugene Meyer, Governor of the Federal Reserve Board
Dinner—Theodore G. Joslin, Secretary to the President

Appendix E

1932

Secretary of the Treasury Ogden L. Mills, Secretary to the President Walter H. Newton, and Senators Peter Norbeck, Phillips Lee Goldsborough, John G. Townsend, Jr., Frederic C. Walcott, Robert D. Carey, James E. Watson, James Couzens, and Frederick Steiwer

May 13

Breakfast—Mark Sullivan, journalist
Senator Charles L. McNary, Oregon
Wallace Ferry, Kansas City, Mo.
Representative William R. Wood, Indiana
Cabinet
Attended memorial services at St. Matthews Church for the late President Paul Doumer of France
H. V. Kaltenborn, radio news broadcaster
Senator Robert D. Carey, Wyoming
Washington Correspondents
D. B. Robertson and representatives of the Order of Railway Conductors
Secretary of Agriculture Arthur M. Hyde
James C. Stone, Chairman of the Federal Farm Board
Dinner—Mr. and Mrs. Roy A. Roberts

May 14

Breakfast—Mark Sullivan, journalist
Lewis L. Strauss
Representative Charles L. Underhill
Adolph C. Miller, Federal Reserve Board of Governors

Mrs. William E. Borah
Secretary of War Patrick J. Hurley
James R. Beverley, Governor of Porto Rico
Washington State Manufacturers, committee
William R. Castle, Jr., Under Secretary of State
Secretary of Labor William N. Doak
German Ambassador, Friedrich von Prittwitz, to present August Diehn, general director of the German Potash Syndicate
Sam Jones, Toledo, Ohio
Pressed gold key opening ceremonies commemorating the 100th anniversary of the original conception of the Morse code
J. Clawson Roop, Director of the Budget
Lunch—Rentfro B. Creager and George Akerson
George Akerson, former Secretary to the President
Secretary of Commerce Robert P. Lamont and Assistant Secretary of Commerce Julius Klein
Dinner—Mr. and Mrs. Charles G. Dawes

May 15

Lunch—Benjamin F. Bledsoe, Los Angeles
Dinner—Vernon L. Kellogg and Jean Kellogg
Secretary of the Treasury Ogden L. Mills, George L. Harrison, and Carl Snyder

Appendix E

1932

May 16

Representative Bertrand H. Snell
Representative James S. Parker, New York
Representative Charles R. Crisp
Carl Schneider, New York
Mervin K. Hart, president of the New York State Economic Council
Secretary of the Treasury Ogden L. Mills
Senator Thomas D. Schall and Representative Harold Knutson, Minnesota
Secretary of Agriculture Arthur M. Hyde, Cleveland A. Newton, and Roy A. Roberts
Mrs. Paul Rewman, South Dakota
Lenna L. Yost, director of the women's division of the Republican National Committee
Leo S. Rowe, Director General of the Pan American Union
National Society of the Sons of the American Revolution, delegates
Davis S. Ingalls, Assistant Secretary of the Navy (Air), and Mr. Johnson
Senator Simeon D. Fess, and Postmaster General Walter F. Brown
Lunch—Secretary of State Henry L. Stimson
John Ringling
James F. Burke, general counsel of the Republican National Committee
Secretary of War Patrick J. Hurley

May 17

Breakfast—Mark Sullivan, journalist
Jesse H. Jones, Reconstruction Finance Corporation

Cabinet

Elsie I. Sprott, London, England
George H. Crosby, Duluth, Minn.
James R. Garfield, former Secretary of the Interior
J. Clawson Roop, Director of the Budget
Lunch—W. Kingsland Macy, Harry J. Barshan, and Clarence R. King
Secretary of Labor William N. Doak
Joseph R. Nutt, treasurer of the Republican National Committee
Secretary of the Treasury Ogden L. Mills
William F. McDowell, bishop of the Methodist Episcopal Church in Washington, D.C.
Dinner—Secretary of Agriculture and Mrs. Arthur M. Hyde at their residence

May 18

Sewell Lee Avery, president of the United States Gypsum Co.
Senator Ellison D. Smith, South Carolina
Representative August H. Andresen, Minnesota
Representative Edith Nourse Rogers, Massachusetts
Milton S. Florsheim, shoe manufacturer of Chicago, Ill.
Arthur Woods, former Chairman of the President's Emergency Committee for Employment
Representatives Joseph W. Byrns, Tenn., and Fred T. Wilson of Houston, Tex.

Appendix E

1932

Alice H. Richards, Regent of Mount Vernon
Morgan S. Kaufman, Scranton, Pa.
Representative William F. Kopp, Iowa
First Century Christianity Fellowship, delegation headed by H. Alexander Smith
Representative Thomas A. Jenkins, Ohio
Secretary of Commerce Robert P. Lamont
Lunch—Senator William E. Borah
Secretary of the Interior Ray Lyman Wilbur
Secretary of War Patrick J. Hurley
Morton G. Bogue, General Counsel of the Reconstruction Finance Corporation
Charles G. Dawes, President of the Reconstruction Finance Corporation
Raymond Benjamin, assistant chairman of the Republican National Committee
Dinner—Secretary of War and Mrs. Patrick J. Hurley

May 19

Breakfast—Mark Sullivan, journalist
Col. Sawyer
Secretary of State Henry L. Stimson
Representative Howard W. Stull, Pennsylvania
Representative Charles L. Underwood, Ohio
American Society of Civil Engineers, committee including Lawrence W. Wallace, George T. Seabury, John P. Hogan, Malcolm Pirine, and Harrison P. Eddy

Cuban Ambassador Orestes Ferrara
James M. Henry, president of Lingnan University, Canton, China
Secretary of Agriculture Arthur M. Hyde and Gov. Lloyd
Representative Homer Hoch, Kansas
Mark Woods
James H. Rand, Jr., president of Remington Rand Co.
Henry J. Allen and George R. Carr
Col. Mills, Florida
Representative Joe J. Manlove, Missouri
Lunch—Malcolm W. Bingay, Detroit Free Press, and Dr. Joel T. Boone
Secretary of the Interior Ray Lyman Wilbur
Senator David A. Reed, Pennsylvania
J. Clawson Roop, Director of the Budget
Thomas W. Lamont
Secretary of the Treasury Ogden L. Mills

May 20

Franklin W. Fort, former Representative of New Jersey
Cabinet
Carmi A. Thompson, Ohio
Senator Cameron Morrison and Representative Alfred L. Bulwinkle
Harry A. Sperb, California
Lamont Rowlands, Mississippi
John G. Oglesby, former Lieutenant Governor of Illinois
National oratorical contest finalists
John T. Adams, Dubuque, Iowa
Congressional baseball teams, captains

Appendix E

1932

Mrs. A. C. Remmel, Arkansas Republican national committeewoman

Richard Olney and George E. Warren, Boston, Mass.

Lunch—Lawrence Richey, Secretary to the President

Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief

Washington Correspondents

Jay G. Hayden, Detroit News

James C. Stone, Chairman of the Federal Farm Board

Charles G. Dawes, President of the Reconstruction Finance Corporation

Secretary of the Treasury Ogden L. Mills

May 21

Breakfast—Mark Sullivan, journalist

Frank Knox, publisher of the Chicago Daily News

Howard Greene, Wisconsin

Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief

J. Clawson Roop, Director of the Budget

Secretary of the Treasury Ogden L. Mills

Col. Sawyer

Senator Roscoe C. Patterson and Mr. Buckholtz

Everett Colby, New Jersey

Anna M. Nolan, New York

Lunch—Edgar Rickard and Lawrence Richey

Rapidan Camp, Va.—Frank Knox, Henry J. Allen, Secretary of State Henry L. Stimson, Representative and Mrs. John Q. Tilson, Mrs. Sidney Coleman, Mr. and Mrs. Edgar Rickard, Lawrence Richey, and Dr. Joel T. Boone

May 22

Rapidan Camp, Va.

May 23

Returned from Rapidan Camp, Va.

Secretary of War Patrick J. Hurley

Mr. Schoff, Gary, Ind.

Representative J. Will Taylor, Tennessee

Frederick Pope, president of the Nitrogen Engineering Corporation

Lamont Rowlands, Ernest McC. Hawkins, and Charles H. Blewett, Mississippi

Representative Leonidas C. Dyer

Joseph C. Green, Division of Western European Affairs, Department of State

Mrs. Henry Allen Cooper

Guild of Prescription Opticians of America

Americanization School Association of Washington, delegation headed by Walter I. McCoy

Lucille Goldsmith, Los Angeles, Calif., winner of National oratorical contest

Roscoe Simmons, Chicago

Lunch—Raymond Robins and Daniel A. Poling

Appendix E

1932

- Dinner—Henry M. Robinson, Los Angeles banker
Walter H. Newton, secretary to the President
- May 24*
- Cabinet
Mrs. Harry E. Thomas, Wisconsin
Charles G. Dawes, President of the Reconstruction Finance Corporation,
Ogden L. Mills, Secretary of the Treasury, and Eugene Meyer, Governor of the Federal Reserve Board
- Lunch—Frank Knox and Henry M. Robinson
Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation
Edward T. Clark, former personal secretary to President Coolidge
Postmaster General Walter F. Brown, Charles D. Hilles, and James F. Burke
Dinner—Secretary of Commerce and Mrs. Robert P. Lamont
- May 25*
- Representative Bertrand H. Snell, House minority leader
Secretary of State Henry L. Stimson and Assistant Secretary of State James G. Rogers
Frank Knox, publisher of the Chicago Daily News
Representative Frederick M. Davenport, New York
Representative Carroll L. Beedy, Maine
- Representative William (Ed.) Hull, Illinois
Representative Harry L. Englebright
National Association of Piano-Tuners, delegation
Hi-Y Club of West Virginia
Regimental officers of the High School Cadets of the District of Columbia
Representative William R. Wood and group of Indiana young people
Jesse H. Jones and John Snider
James C. Hambright
Mid-City Association of the District of Columbia, committee headed by A. J. Driscoll
Arthur A. Ballantine, Under Secretary of the Treasury
Lunch—Mr. and Mrs. Verne Marshall
Mark Sullivan, journalist
Lamont Rowlands
Secretary of War Patrick J. Hurley
Secretary of the Interior Ray Lyman Wilbur
Dinner—Mr. and Mrs. Mark Sullivan and Dr. and Mrs. Joel T. Boone
Newspaper publishers
- May 26*
- Breakfast—Mark Sullivan, journalist
Senator George H. Moses, New Hampshire
Secretary of War Patrick J. Hurley
Secretary of State Henry L. Stimson
Representative Ruth Pratt, New York
Marie M. Meloney, New York Herald-Tribune
John Barton Payne, Chairman of the American National Red Cross

Appendix E

1932

- Representative Charles R. Crisp, Georgia
Representative Carl R. Chindblom, Illinois
Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation
Wilbur M. Brucker, Governor of Michigan, and Kenneth M. Stevens, Detroit, Mich.
Hubert Taft, Cincinnati, Ohio
Harry F. Guggenheim, United States Ambassador to Cuba
G. C. Gilkerson, assistant superintendent of the District of Columbia schools
Scandinavian Fraternity of America, members
Charles L. Hoover, Amsterdam
Ohio State Bicentennial Commission
Frank E. Gannett
Secretary of the Treasury Ogden L. Mills
Charles G. Dawes, President of the Reconstruction Finance Corporation
Secretary of the Treasury Ogden L. Mills and Under Secretary of the Treasury Arthur A. Ballantine
J. Clawson Roop, Director of the Budget
Senator Frederic C. Walcott, Connecticut
- May 27*
Senator Reed Smoot, Utah
Senator Royal S. Copeland, New York
Ferry K. Heath, Assistant Secretary of the Treasury
- Franklin W. Fort, former Representative of New Jersey
Cabinet
Oscar William Cleal II, Snyder, N.Y.
Hiram L. Williamson, Springfield, N.Y.
J. Clawson Roop, Director of the Budget
Lunch—Secretary of the Treasury Ogden L. Mills, Reconstruction Finance Corporation President Charles G. Dawes, and Federal Reserve Board Governor Eugene Meyer
Thomas W. Lamont, Charles D. Hilles, and S. Parker Gilbert
Postmaster General Walter F. Brown
Frederick H. Payne, Assistant Secretary of War
Washington Correspondents
Secretary of the Treasury Ogden L. Mills
Senator Robert F. Wagner, New York
Edwin A. Van Valkenberg
- May 28*
Breakfast—Mark Sullivan, journalist
Secretary of the Treasury Ogden L. Mills
Secretary of War Patrick J. Hurley
Senator Robert D. Carey, Wyoming
Senator Frederick Steiwer, Oregon
Senator Arthur A. Robinson, Indiana
L. C. Majer and three children of Charles F. Faegan of Detroit, Mich.
Secretary of Agriculture Arthur M. Hyde
Lunch—Dr. Joel T. Boone
Senator Henry D. Hatfield and T. C. Townsend, West Virginia

Appendix E

1932

Fred W. Green, former Governor of Michigan

Vice President Charles Curtis

Rapidan Camp, Va.—Secretary of the Interior and Mrs. Ray Lyman Wilbur, Mr. and Mrs. Mark Sullivan, Mr. and Mrs. Edgar Rickard, Senator and Mrs. L. J. Dickinson, Henry M. Robinson, Capt. and Mrs. Russell Train, James F. Burke, Allan Fox, Postmaster General and Mrs. Walter F. Brown, Raymond Benjamin, James R. Garfield, Dr. Joel T. Boone, and Lawrence Richey

May 29

Returned from Rapidan Camp, Va.

Dinner—Secretary of the Treasury Ogden L. Mills, Under Secretary of the Treasury Arthur A. Ballantine, and Secretary to the President Lawrence Richey

Owen D. Young

Vice President Charles Curtis, Senators James E. Watson, Charles L. McNary, Reed Smoot, George H. Moses, and David A. Reed, and George L. Harrison

May 30

Breakfast—Senator William E. Borah and Henry M. Robinson

Vice President Charles Curtis

Arthur A. Ballantine, Under Secretary of the Treasury

Secretary of the Treasury Ogden L. Mills

William R. Castle, Jr., Under Secretary of State

Secretary of War Patrick J. Hurley

Lunch—James R. Garfield and Henry M. Robinson

Charles G. Dawes, President of the Reconstruction Finance Corporation

Senator David A. Reed, Pennsylvania

Secretary of the Treasury Ogden L. Mills

Charles G. Dawes, Owen D. Young, Secretary of the Treasury Ogden L. Mills, George L. Harrison, and Senators Joseph T. Robinson of Arkansas, Robert F. Wagner, Thomas P. Gore, Sam G. Bratton, Pat Harrison, Cordell Hull, Alben W. Barkley, William H. King, Walter F. George, Edward P. Costigan, Tom Connally, and James F. Byrnes

May 31

Breakfast—Mark Sullivan and Henry M. Robinson

Representative Bertrand H. Snell, House minority leader

Cabinet

Address to the Senate on the economic situation

Mr. Laurence, New York

Lunch—Henry M. Robinson, Los Angeles banker

Secretary of the Treasury Ogden L. Mills

Secretary of War Patrick J. Hurley

Secretary of State Henry L. Stimson

Appendix E

1932

Theodore C. Wallen, New York Herald Tribune
Samuel E. Nicholson
Dinner—Secretary of Labor and Mrs. William N. Doak at the Willard Hotel

June 1

Breakfast—Mark Sullivan, journalist
Secretary of the Navy Charles F. Adams
Postmaster General Walter F. Brown
Earl Smith, president of the Illinois Agricultural Association, and Charles E. Hearst, president of the Iowa Farm Bureau Federation
Charles S. Barrett, former president of the National Farmers' Union
Secretary of the Interior Ray Lyman Wilbur
Representative David Hogg, Indiana
Representative Robert G. Simmons, Nebraska
Representative C. Ellis Moore, Ohio
Representative Thomas Hall, North Dakota
Japanese Ambassador, Katsuji Debuchi, to present Inazo Nitobe
Representative Frank H. Foss, Massachusetts
Fred B. Smith, chairman of the executive committee of the World Alliance for International Friendship Through the Churches
Lunch—George Barr Baker and Mr. and Mrs. Charles C. Teague
Edward G. Lowery, journalist
Secretary of the Treasury Ogden L. Mills

Secretary of War Patrick J. Hurley and Gen. George B. Pillsbury, Assistant Chief Engineer
Ferry K. Heath, Assistant Secretary of the Treasury
George Barr Baker
Walter E. Hope, former Assistant Secretary of the Treasury
James F. Burke, general counsel of the Republican National Committee

June 2

Representative Don B. Colton, Utah, and a congressional delegation
Senator Otis F. Glenn
Atlee Pomerene, Chairman of the Board of Directors of the Reconstruction Finance Corporation
George R. Wales, Civil Service Commission
Wallace Townsend, Arkansas Republican national committeeman
A. C. Backus, Milwaukee, Wis.
Representative Royal C. Johnson
Paul F. Dehnel, Danube, Minn.
Charles G. Dawes, President of the Reconstruction Finance Corporation
Secretary of Labor William N. Doak
William F. Schilling, A. F. Woods, Mr. Goodman, and R. E. McDonald
Newbold Noyes, Washington Evening Star
Lunch—Henry M. Robinson, Los Angeles banker
Chester T. Crowell, writer
Senator J. Hamilton Lewis, Illinois
Secretary of War Patrick J. Hurley

Appendix E

1932

J. Clawson Roop, Director of the Budget
James C. Stone, Chairman of the Federal Farm Board
Hanford MacNider, United States Minister to Canada
Ferry K. Heath, Assistant Secretary of the Treasury
Raymond Benjamin, assistant chairman of the Republican National Committee

June 3

Breakfast—Mark Sullivan, journalist
Senator James J. Davis, Pennsylvania
Representative Bertrand H. Snell, New York
Senator Charles L. McNary, Oregon
Ferry K. Heath, Assistant Secretary of the Treasury
Cabinet
Senator William H. King, Utah
Representative Frederick M. Davenport of New York and Elbert S. Brigham, Reconstruction Finance Corporation
Mr. Parkinson and Mr. Carothers, Pa.
A. D. Simpson, Houston, Tex.
Lunch—Mr. and Mrs. Louis B. Mayer
Ferry K. Heath, Assistant Secretary of the Treasury
Arthur Brisbane, editor of the Chicago Herald and Examiner
Louis B. Mayer and Maj. John Zanst, New York City
Secretary of Agriculture Arthur M. Hyde

Rapidan Camp, Va.—Col. Campbell B. Hodges, Lawrence Richey, Dr. Joel T. Boone, Secretary of War and Mrs. Patrick J. Hurley, Henry M. Robinson, Henry J. Allen, Mr. and Mrs. Eugene Meyer, Harvey C. Couch, Wilson McCarthy, Mr. and Mrs. Charles G. Dawes, Mr. and Mrs. Jesse H. Jones, Mr. and Mrs. H. Paul Bestor, and Under Secretary of the Treasury and Mrs. Arthur A. Ballantine

June 4-5

Rapidan Camp, Va.

June 6

Returned from Rapidan Camp, Va., accompanied by Under Secretary of the Treasury Arthur A. Ballantine, Lawrence Richey, and Dr. Joel T. Boone
Senator Simeon D. Fess, Ohio
Secretary of the Treasury Ogden L. Mills
Secretary of Agriculture Arthur M. Hyde
Attorney General William D. Mitchell
Col. Sawyer
Ferry K. Heath, Assistant Secretary of the Treasury
Representative U. S. Guyer, Kansas
Lenna L. Yost, director of the women's division of the Republican National Committee
Douglas S. Campbell and delegation from Cleveland, Ohio

Appendix E

1932

Representative Malcolm Baldrige and
Mary Virginia Louis of Omaha
Hugh S. Cumming, Surgeon General of
the Public Health Service, and mem-
bers of the Association of State Health
Officers

Boy Scouts of Indiana

Robert C. Ropp and committee repre-
senting the Allied Youths of America
Lunch—Secretary of War Patrick J.
Hurley and Henry M. Robinson
Secretary of the Treasury Ogden L.
Mills

Secretary of State Henry L. Stimson
Harvey C. Couch, Reconstruction Fi-
nance Corporation
Secretary of the Treasury Ogden L.
Mills, Attorney General William D.
Mitchell, Secretaries to the President
Lawrence Richey and Theodore G.
Joslin

June 7

Breakfast—Henry M. Robinson and
Mark Sullivan

Cabinet

Representative William R. Eaton and
George D. Begole, mayor of Denver,
Colo.

Jeremiah Milbank, Southern Railway
Co.

Postmaster General Walter F. Brown
and James F. Burke

Lunch—Walter S. McLucas, Detroit
banker

Henry J. Allen, Assistant to the Presi-
dent of the Reconstruction Finance
Corporation

Orville Bullington, Wichita Falls, Tex.
Secretary of the Treasury Ogden L.
Mills and Under Secretary of the
Treasury Arthur A. Ballantine
Secretary of War Patrick J. Hurley
James R. Garfield, former Secretary of
the Interior

June 8

Senator John G. Townsend, Jr., Dela-
ware

Harvey C. Couch, Reconstruction Fi-
nance Corporation

Representative John Q. Tilson
Secretary of State Henry L. Stimson

Senator Wesley L. Jones

Raymond Robins

Representative Charles R. Crisp, Geor-
gia

W. Kingsland Macy and Henry T.
Peter

Postmaster General Walter F. Brown
A. T. Polyzoides, editor of *Atlantis*

James H. Rand, Jr., president of Rem-
ington Rand Co.

Representative William E. Evans, Cali-
fornia, J. H. Howard, and F. E. Wey-
mouth

Frank Murphy, mayor of Detroit, and
delegation of mayors and city repre-
sentatives

Senator Robert D. Carey and delegation
from Wyoming headed by R. C.
Cather

National spelling bee winners

Mr. Woodruff, Chicago

J. Clawson Roop, Director of the
Budget

Appendix E

1932

Mrs. Eugene Meyer
Representative Willis C. Hawley, Oregon
Secretary of the Interior Ray Lyman Wilbur
Robert Lincoln O'Brien, Chairman of the United States Tariff Commission
Secretary of Agriculture Arthur M. Hyde
David Lawrence, president of U.S. Daily
Secretary of War Patrick J. Hurley

June 9

Breakfast—Henry M. Robinson and Mark Sullivan
Vice President Charles Curtis
Secretary of the Treasury Ogden L. Mills
Frank T. Hines, Administrator of Veterans' Affairs
George Barr Baker
Senators Frederick Hale and Wallace H. White, Jr. and Maine congressional delegation
Fred C. Croxton, Assistant Director of the President's Organization on Unemployment Relief
A. Lewis, Jr., Honolulu, Hawaii
Senator L. J. Dickinson
C. Bascom Slemph
Sons of Confederate Veterans, delegation
H. L. Derby, National Association of Manufacturers
W. C. Hueston
Presented the annual Gorgas Memorial Institute award to Harriet Jones for the prize winning essay

Mr. Scott
George Maines, Flint, Mich.
Lunch—Henry M. Robinson
Robert Lincoln O'Brien, Chairman of the United States Tariff Commission
Eugene Meyer, Governor of the Federal Reserve Board
Secretary of Labor William N. Doak
J. Clawson Roop, Director of the Budget
Col. Sawyer

June 10

Representative Bertrand H. Snell, New York
Senator Frederic C. Walcott, Connecticut
Charles C. Teague, former member of the Federal Farm Board
Cabinet
Charles B. Warren, former United Nations Ambassador to Mexico
Floyd Cook, Oregon
Howard University commencement, address
Secretary of the Interior Ray Lyman Wilbur
Secretary of the Treasury Ogden L. Mills
Secretary of War Patrick J. Hurley
Gen. Albert L. Cox, North Carolina
Edward T. Clark, former personal secretary to former President Coolidge
Representative Ruth Pratt, New York
Secretary of State Henry L. Stimson and
Secretary of the Treasury Ogden L. Mills

Appendix E

1932

June 11

Breakfast—Mark Sullivan, journalist
Mr. Seymour, Department of Justice
Secretary of the Treasury Ogden L. Mills
Secretary of War Patrick J. Hurley
J. Clawson Roop, Director of the Budget
Senator Joseph W. Bailey, Governor O. Max Gardner, and Treasurer John Stedman, all of North Carolina
Thomas E. Campbell, President of the Civil Service Commission
Albert H. Denton, member of the United States Shipping Board
Attorney General William D. Mitchell
Secretary of Agriculture Arthur M. Hyde
Senators Frederick Hale, Reed Smoot, and Wesley L. Jones, Senator Walsh, Representative Wood, and J. Clawson Roop

June 12

Breakfast—Senator James E. Watson, Senate majority leader
Franklin W. Fort, former Representative of New Jersey
Representative Robert Luce, Massachusetts
Lunch—Mr. and Mrs. Charles G. Dawes, Assistant Secretary of the Treasury and Mrs. James H. Douglas, and Allan Campbell
Secretary of War Patrick J. Hurley
Dinner—Lt. and Mrs. Frederick B. Butler
Harvey C. Couch, Reconstruction Finance Corporation

June 13

Senator Daniel O. Hastings, Delaware
Col. Sawyer
Secretary of War Patrick J. Hurley
Harvey C. Couch, Reconstruction Finance Corporation
Representatives Joseph W. Martin, Jr., and Edith Nourse Rogers, Massachusetts
Senator John Thomas, Idaho
Claude I. Porter and Ernest I. Lewis, Interstate Commerce Commission
A. C. Backus, Milwaukee, Wis.
Georgia School of Air, contest winners
Senator Nils P. Johnson, Ohio
Lamar Williamson, Monticello, Ark.
Franklin Mott Gunther, president of the American Institute of Persian Art and Archeology
J. Clawson Roop, Director of the Budget
Lunch—George Akerson, former Secretary to the President
Arthur A. Ballantine, Under Secretary of the Treasury
Dinner—Senator Frederic C. Walcott

June 14

Senator Charles L. McNary, Oregon
Cabinet
Arthur A. Ballantine, Under Secretary of the Treasury
Senator Reed Smoot, Utah
J. Clawson Roop, Director of the Budget
Senator Arthur H. Vandenberg
Arthur A. Ballantine, Under Secretary of the Treasury

Appendix E

1932

Dinner—Attorney General and Mrs.
William D. Mitchell

June 15

Frederick H. Payne, Assistant Secretary
of War

Maj. Gen. William N. Haskell, com-
mander of the New York National
Guard

Representative Louis Ludlow and Wil-
bur Netz, winner of the Indianapolis
model home contest

American Institute of Homeopathy,
convention delegates

Quartermaster Corps Reserve Officers
on duty in the office of the Quarter-
master General in Washington

Mrs. Brown Glasgow, Kentucky

Lunch—George Akerson, former Sec-
retary to the President

Arthur A. Ballantine, Under Secretary
of the Treasury

Garden party for disabled veterans

June 16

Arthur A. Ballantine, Under Secretary
of the Treasury

Albert M. Greenfield, Philadelphia

L. T. Stevens, Philadelphia

Mrs. Floyd Bennett

National Association of American Busi-
ness Clubs, convention delegates

Baraca Philathea Union, convention
delegates

Eta Upsilon Gamma Sorority, delegates

Lunch—Marie M. Meloney and Mrs.
George Akerson

Ferry K. Heath, Assistant Secretary of
the Treasury

J. Clawson Roop, Director of the
Budget

June 17

Representative Ruth Pratt, New York
Secretary of the Treasury Ogden L.
Mills

William F. McDowell, retired Method-
ist Episcopal Bishop of Washington
Cabinet

Charles G. Dawes, President of the
Reconstruction Finance Corporation
Harry S. New

Richard H. Aishton, president of the
American Railway Association
Washington Correspondents

George L. Harrison, Governor of the
New York Federal Reserve Bank

Secretary of State Henry L. Stimson

Dinner—Postmaster General and Mrs.
Walter F. Brown

June 18

Senator Peter Norbeck, South Dakota

Secretary of War Patrick J. Hurley

Adolph C. Miller, Federal Reserve
Board

Secretary of the Navy Charles F. Adams

Mark Sullivan, journalist

Secretary of the Treasury Ogden L.
Mills

J. Clawson Roop, Director of the
Budget

Secretary of Labor William N. Doak

Secretary of State Henry L. Stimson

Appendix E

1932

Representative James C. McLaughlin,
Michigan
Secretary of War Patrick J. Hurley
Secretary of State Henry L. Stimson and
Assistant Secretary of State James G.
Rogers
Representatives Robert Luce, Henry B.
Steagall, William F. Stevenson, and
Representative Strong

June 19

Secretary of State Henry L. Stimson
Dinner—Joseph E. Scott

June 20

Breakfast—Joseph E. Scott
Senator Daniel O. Hastings, Delaware
Representative Bertrand H. Snell,
House minority leader
Representative John Q. Tilson
James G. Rogers, Assistant Secretary of
State
Secretary of Agriculture Arthur M.
Hyde
Everett Sanders, chairman of the Repub-
lican National Committee
Lenna L. Yost, director of the women's
division of the Republican National
Committee
Representative Charles L. Underhill,
Massachusetts
Franklin W. Fort, Chairman of the
Federal Home Loan Bank Board
Duncan Lawrence Groner
John W. Kelly, Portland Oregonian
James West, Boy Scouts
Mr. Webb and Mr. Horton
National 4-H Club camp members

Policeman's band, Atlanta, Ga.
Confederate veterans, Missouri
Harvey C. Couch, Wilson McCarthy,
and Jesse H. Jones, Reconstruction Fi-
nance Corporation
Representative James G. Strong, Kansas
Lunch—Walter E. Edge, United States
Ambassador to France
Patrick J. Sullivan, former Senator of
Wyoming
Mark L. Requa, California Republican
national committeeman
Irwin B. Laughlin, United States Am-
bassador to Spain
Secretary of the Treasury Ogden L.
Mills
Secretary of State Henry L. Stimson
Raymond Benjamin, assistant chairman
of the Republican National Commit-
tee
Dinner—Mr. and Mrs. Mark L. Requa
Postmaster General Walter F. Brown,
Everett Sanders, chairman of the Re-
publican National Committee, Walter
H. Newton, and Lawrence Richey

June 21

Breakfast—Mark L. Requa, California
Republican national committeeman
Representative Frederick W. Dallinger,
Massachusetts
Secretary of State Henry L. Stimson
Henry J. Allen, Assistant to the Presi-
dent of the Reconstruction Finance
Corporation
J. Clawson Roop, Director of the
Budget
Cabinet
Representative Don B. Colton, Utah

Appendix E

1932

Representative William Williamson,
South Dakota
Amelia Earhart Putnam, aviatrix
Mr. Berens, San Francisco Chronical
Mr. and Mrs. Mark L. Requa and
Christine Vest
Secretary of State Henry L. Stimson
Presented special gold Medal of the Na-
tional Geographic Society to Amelia
Earhart Putnam at Constitution Hall

June 22

Secretary of State Henry L. Stimson
Michael Gallagher, president of Pittston
Co., Cleveland, Ohio
Secretary of the Treasury Ogden L.
Mills
Washington Correspondents
Senator David A. Reed, Pennsylvania
J. Clawson Roop, Director of the
Budget
James P. Goodrich, former Governor
of Indiana
Mrs. Russell William Magna, president-
general of the National Society of
the Daughters of the American Revolu-
tion
American Wood Preservers Association,
executive committee
Rollo H. Robbins, Augusta, Ill., and
party winners of the Augusta Eagle
contest
National Retail Credit Association,
convention delegates
Marion, Ohio Star contest winners
Fred B. Smith, chairman of the execu-
tive committee of the World Alliance
for International Friendship Through
the Churches

Representative Royal C. Johnson, Secre-
tary of Labor William N. Doak, and
John R. Alpine
Secretary of the Treasury Ogden L.
Mills
James L. West
Secretary of the Treasury Ogden L.
Mills
Representative Frederick M. Daven-
port, New York
Secretary of Agriculture Arthur M.
Hyde

June 23

Breakfast—Mark Sullivan, journalist
Senator Frederic C. Walcott, Connecti-
cut
Representative Bertrand H. Snell,
House minority leader
Eugene Meyer, Governor of the Federal
Reserve Board
Senator Arthur Capper, Kansas
Secretary of State Henry L. Stimson
Arthur A. Ballantine, Under Secretary
of the Treasury
Adolph Pickard
Silas H. Strawn and H. I. Harriman,
Chamber of Commerce of the United
States
Representative William E. Hull, Illi-
nois
George Bush, Los Angeles
Representative Cassius C. Dowell and
A. L. Sarcone, Des Moines, Iowa
Representative Scott Leavitt, Montana,
and Bryan De Forest, Great Falls,
Mont.
James G. McNary, New Mexico

Appendix E

1932

- Civitan Clubs of the United States, delegation
Oklahoma schoolteachers, group
Lunch—Marshall Hale
Abraham C. Ratchesky, United States Minister to Czechoslovakia
J. Clawson Roop, Director of the Budget
Thomas E. Campbell, President of the Civil Service Commission
Gen. Douglas MacArthur, Chief of Staff, U.S. Army
Secretary of Agriculture Arthur M. Hyde
Senator Felix Hebert
- June 24*
- Breakfast—Mark Sullivan, journalist
Senator George H. Moses, New Hampshire
Senator Daniel O. Hastings, Delaware
Eugene Meyer, Governor of the Federal Reserve Board, and George L. Harrison
Wilson W. Mills, Detroit, Mich.
Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation
J. Clawson Roop, Director of the Budget
Cabinet
Marie M. Meloney, New York Herald Tribune
Representative Fred A. Britten and Fred W. Sargent, president of the Chicago Northwestern Railway
Mrs. W. C. Reid, New York
Mrs. Miller, Michigan
- Senator John Thomas, Idaho, and John W. Hart
Harvey C. Couch, Reconstruction Finance Corporation
French Ambassador, Paul Claudel, to present M. Jules Sauerwine
Benevolent Protective Order of the Elks, delegation
National oratorical contest, regional winners
Boy Scouts from Germany and Washington, D.C.
Representative Frederick M. Davenport, New York
Louis J. Taber, master of the National Grange
Fred Morris Dearing, United States Ambassador to Peru
Lunch—Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation
Arthur A. Ballantine, Under Secretary of the Treasury
Confederate veterans, group
Washington Correspondents
James L. West
Eugene Meyer, Governor of the Federal Reserve Board, and George L. Harrison, Governor of the Federal Reserve Bank of New York
Joseph R. Nutt, treasurer of the Republican National Committee
Senator George H. Moses
- June 25*
- Secretary of State Henry L. Stimson, Assistant Secretary of State James G. Rogers, and Henry J. Allen

Appendix E

1932

Henry J. Allen, Assistant to the President of the Reconstruction Finance Corporation

William V. Hodges, Denver, Colo.

Paul Shoup, president of the Southern Pacific Railroad Co.

Rapidan Camp, Va.—Lawrence Richey and Dr. Joel T. Boone

June 26

Rapidan Camp, Va.

June 27

Returned from Rapidan Camp, Va.

Secretary of State Henry L. Stimson

Secretary of Labor William N. Doak and C. L. Richardson, Bureau of Conciliation

Secretary of the Treasury Ogden L. Mills

Harvey C. Couch, Reconstruction Finance Corporation

Senator Thomas D. Schall

George Akerson and Mr. Hammel

Walter E. Garrison, Sacramento, Calif.

American Jewish Congress, delegation

Stanley Felix Hauser, aviator

Dinner—Mrs. Raymond Robins

Secretary of the Interior Ray Lyman Wilbur

June 28

Cabinet

Senator J. Hamilton Lewis, Illinois

Albert M. Greenfield, Philadelphia

John Matthew Gries, Federal Home Loan Bank Board

Richard Emmet, New York

Senator Frederick Steiwer

Boy Scout executives of Central Ohio District

Lenna L. Yost, director of the women's division of the Republican National Committee

Lunch—James F. Burke, general counsel of the Republican National Committee

Secretary of the Interior Ray Lyman Wilbur

Secretary of the Treasury Ogden L. Mills

Secretary of the Treasury Ogden L. Mills and Senator Peter Norbeck

Senator David A. Reed

June 29

Representative Bertrand H. Snell, House minority leader

Mark L. Requa, California Republican national committeeman

Secretary of War Patrick J. Hurley

Secretary of the Treasury Ogden L. Mills and Governor of the Federal Reserve Board Eugene Meyer

Samuel McCrea Cavert, New York

J. Clawson Roop, Director of the Budget

John H. Skaggs, California

Lunch—Secretary of State Henry L. Stimson

J. Clawson Roop, Director of the Budget

Harvey C. Couch, Reconstruction Finance Corporation

Secretary of Labor William N. Doak

Irving Fisher, Yale University economist

Appendix E

1932

Secretary of the Treasury Ogden L. Mills

June 30

Representative John Q. Tilson
Matthew Woll, American Federation of Labor

Carl P. Dennett, Boston, Mass.

J. Clawson Roop, Director of the Budget

National 4-H dress review, winners

Julius Klein, managing editor of the Illinois Staats-Herold, Chicago

Josiah T. Rose, Georgia State Republican chairman

J. Clawson Roop, Director of the Budget

Secretary of War Patrick J. Hurley

Raymond Benjamin, assistant chairman of the Republican National Committee

Ira E. Bennett, editor of the Washington Post

July 1

Breakfast—Senator George H. Moses
Cabinet

J. Clawson Roop, Director of the Budget

Mr. Morisch, San Francisco, Calif.

Scholastic Current Events contest winners

Lenna L. Yost, director of the women's division of the Republican National Committee

Fred C. Croxton, Reconstruction Finance Corporation

Secretary of Agriculture Arthur M. Hyde

Representative Allen T. Treadway

July 2

Breakfast—Mrs. Charles D. Walcott

Postmaster General Walter F. Brown

William F. Schilling and Stanley F. Reed, Federal Farm Board

Senator Charles L. McNary

Walter B. Mahony, editor and publisher of the North American Review

Thomas E. Campbell, President of the Civil Service Commission

Mr. Hopkins and Mr. Morrow

Secretary of Labor William N. Doak

J. Clawson Roop, Director of the Budget

Rapidan Camp, Va.—Secretary of Agriculture Arthur M. Hyde, Representative Bertrand H. Snell, Secretary to the President Lawrence Richey, Dr. Joel T. Boone, Secretary of War and Mrs. Patrick J. Hurley, and Mr. and Mrs. Mark Sullivan and Miss Sullivan

July 3

Rapidan Camp, Va.

July 4

Returned from Rapidan Camp, Va.

Dinner—Representative Bertrand H. Snell, House minority leader

Raymond Robins and Daniel A. Poling

Walter H. Newton, Secretary to the President

Secretary of Agriculture Arthur M. Hyde

Appendix E

1932

July 5

Breakfast—Senator David A. Reed
Secretary of the Treasury Ogden L.
Mills

J. Clawson Roop, Director of the
Budget
Cabinet

Rentfro B. Creager, Texas Republican
national committeeman

Gardner Cowles, Sr., Reconstruction Fi-
nance Corporation

T. Paul Dalzell, Santa Barbara, Calif.
Sam Wheeler and Mr. Sullivan

Modern Woodmen of America, group
Franklin W. Fort, Chairman of the Fed-
eral Home Loan Bank Board

August J. Fertig, publisher of the Cin-
cinnati Freie Presse

Lunch—Secretary of the Treasury Og-
den L. Mills

James L. West

Secretary of Agriculture Arthur M.
Hyde

Secretary of State Henry L. Stimson and
Assistant Secretary of State James G.
Rogers

Eugene Meyer, Governor of the Federal
Reserve Board

Secretary of the Treasury Ogden L.
Mills

Representatives Allen T. Treadway and
Willis C. Hawley

Conference with Members of the Senate
and House on the emergency relief
and construction bill

July 6

Breakfast—Mark Sullivan, journalist

Eugene Meyer, Governor of the Federal
Reserve Board

Secretary of the Treasury Ogden L.
Mills

Conference with Members of the Senate
and House on the emergency relief
and construction bill

T. V. O'Connor, Chairman of the
United States Shipping Board

Panamanian Minister, Horacio F. Al-
faro, to present Judge Erasmo Mendez

Senator Arthur H. Vandenberg and
Carolyn Hazzard, Michigan Cherry
Queen

Commercial Law League of America,
convention delegates

Senator Morris Sheppard with group of
Texas boys en route to camp

Representative John J. McSwain and
group of Boy Scouts

Lunch—Edward L. Ryerson

Secretary of the Treasury Ogden L.
Mills

Dinner—Attorney General and Mrs.
William D. Mitchell

July 7

Breakfast—Mark Sullivan, journalist

Secretary of Commerce Robert P. La-
mont

Senator Hamilton F. Kean, New Jersey
Harvey C. Couch, Reconstruction Fi-
nance Corporation

Secretary of War Patrick J. Hurley

J. Clawson Roop, Director of the
Budget

Charles F. Abbott, executive director of
the American Institute of Steel Con-
struction

Appendix E

1932

Henry J. Allen, president of the Great Lakes-St. Lawrence Tidewater Association

Leathem Smith, Sturgeon Bay, Wis.

Cleveland A. Newton

Frank C. Munson, president of the Munson Steamship Line

Netherlands Minister, J. H. van Royen, to present portrait of Pieter Johan van Berckel, the first minister plenipotentiary of the Netherlands to the United States in 1783

James R. Garfield, former Secretary of the Interior

Argentine Ambassador, Felipe A. Espil, to present Alexandro Bunge

Mr. Tobin, secretary of the New York bicentennial and 25 oratorical prize winners

A. C. Backus, Milwaukee, Wis.

Judge Hall, Minnesota

Mr. Gleason, New York

William R. Castle, Jr., Under Secretary of State

Lunch—Albert M. Greenfield and J. David Stern

Secretary of Agriculture Arthur M. Hyde

James C. Stone, Chairman of the Federal Farm Board

J. Clawson Roop, Director of the Budget

Ulric Preston

Eugene Meyer, Governor of the Federal Reserve Board

Harvey C. Couch, Reconstruction Finance Corporation

Secretary of the Treasury Ogden L. Mills

Dinner—Henry J. Allen

Secretary of the Treasury Ogden L. Mills

July 8

Senator George H. Moses, New Hampshire

Harvey C. Couch, Reconstruction Finance Corporation

James R. Garfield, former Secretary of the Interior

Cabinet

British Ambassador, Sir Ronald Lindsay, to present Leonard Reed, London economist

T. V. O'Connor, Chairman of the United States Shipping Board

Mrs. Charles L. McNary

Frank C. Munson, president of the Munson Steamship Line

J. C. Penney, Jr.

David A. Brown and D. O. Lively, chairman and national director of China Famine Relief

J. Matt Chilton, Kentucky Republican national committeeman

Lenna L. Yost, director, women's division, Republican National Committee

Julius G. Lay, United States Minister to Honduras

Mrs. Roscoe C. Patterson and Arthur M. Curtis, Missouri State Republican chairman

Lunch—Mr. and Mrs. Albert G. Simms
Eugene Meyer, Governor of the Federal Reserve Board

Dinner—Mr. and Mrs. William Hard

Appendix E

1932

July 9

Harvey C. Couch, Reconstruction Finance Corporation
Postmaster General Walter F. Brown
Representative Bertrand H. Snell, New York
Senator Reed Smoot, Utah
Thomas E. Campbell, President of the Civil Service Commission
Jay G. Hayden, Detroit News
J. Clawson Roop, Director of the Budget
Secretary of the Treasury Ogden L. Mills
George Akerson, former Secretary to the President
James H. Douglas, Assistant Secretary of the Treasury
Secretary of War Patrick J. Hurley
Dinner—Representative Bertrand H. Snell, House minority leader

July 10

Senator James E. Watson, Senate majority leader
Henry J. Allen and George Akerson
Lunch—Mr. and Mrs. Harry Wolfe, Columbus, Ohio
James G. Rogers, Assistant Secretary of State, and Walter H. Newton, Secretary to the President
Dinner—Senator George H. Moses

July 11

Breakfast—Mark Sullivan, journalist
Senator David A. Reed, Pennsylvania
Attorney General William D. Mitchell

Postmaster General Walter F. Brown
Senator Otis F. Glenn, Illinois
Frank T. Hines, Administrator of Veterans' Affairs
Representative Olger B. Burtness, North Dakota
Representative Allen T. Treadway, Massachusetts
Edward A. O'Neal, Charles E. Hearst, and Earl C. Smith, American Farm Bureau Federation
Senator Peter Norbeck, South Dakota
Frank Parker Stockbridge
Fred C. Croxton, Reconstruction Finance Corporation
Lunch—Secretary of State Henry L. Stimson
A. A. Pierce
J. Clawson Roop, Director of the Budget
Mrs. Sims
Representative Henry B. Steagall, Alabama
Secretary of Agriculture Arthur M. Hyde
Dinner—Secretary of War Patrick J. Hurley
William F. McDowell, former Bishop of the Methodist Episcopal Church of Washington, D.C.

July 12

Breakfast—Mark Sullivan, journalist
Senator George H. Moses, New Hampshire
Arthur A. Ballantine, Under Secretary of the Treasury
Cabinet

Appendix E

1932

Washington Correspondents

Representatives Henry T. Rainey,
Willis C. Hawley, and Allen T.
Treadway

Ernest Lee Jahncke, Assistant Secretary
of the Navy, and Mr. Jackson

Representative Carter

Arthur A. Ballantine, Under Secretary
of the Treasury

Secretary of State Henry L. Stimson

Ferry K. Heath, Assistant Secretary of
the Treasury

J. Clawson Roop, Director of the
Budget

Charles P. Sisson, Assistant Attorney
General

Eugene Meyer, Governor of the Fed-
eral Reserve Board

Eugene Meyer, Governor of the Fed-
eral Reserve Board, and Arthur A.
Ballantine, Under Secretary of the
Treasury

Secretary of the Treasury Ogden L.
Mills and George L. Harrison, Gov-
ernor of the Federal Reserve Bank
of New York

July 13

Breakfast—Mark Sullivan, journalist

Jesse H. Jones, Reconstruction Finance
Corporation

Secretary of the Treasury Ogden L.
Mills

Franklin W. Fort, former Representa-
tive of New Jersey

Secretary of State Henry L. Stimson
and Assistant Secretary of State James
G. Rogers

Representative Robert G. Simmons, Ne-
braska

Representative Charles A. Eaton, New
Jersey

John J. Leary, Jr., journalist

Senator Thomas D. Schall, Minnesota

James G. Rogers, Assistant Secretary of
State

Italian Ambassador, Nobile Giacomo de
Martino, to present Cesare Grattarola
and Admiral di Sambui

Robert B. Armstrong, Los Angeles
Times

Women's International League for
Peace and Freedom, delegation

J. Clawson Roop, Director of the
Budget

Lunch—Mr. and Mrs. Albert Simms

Secretary of Labor William N. Doak

Secretary of the Treasury Ogden L.
Mills

Martin Egan, J. P. Morgan & Co.

Samuel Edgar Nicholson

July 14

Breakfast—Mark Sullivan, journalist

Senator Daniel O. Hastings, Delaware

Jesse H. Jones, Reconstruction Finance
Corporation

Senator George H. Moses, New Hamp-
shire, and Albert H. Hislop

Secretary of the Treasury Ogden L.
Mills

Secretary of State Henry L. Stimson

Senator Frederick Steiwer

Representative Philip D. Swing, Cali-
fornia

Representatives John B. Hollister and
William E. Hess, Ohio

Appendix E

1932

C. Bascom Slemph
John W. O'Leary, president of the Chicago Association of Commerce
Mr. Robertson and Mr. Weir
Secretary of State Henry L. Stimson
Lunch—Representative Ruth Pratt and Mrs. James Curtis
Secretary of Agriculture Arthur M. Hyde
Secretary of State Henry L. Stimson
J. Clawson Roop, Director of the Budget
Representative Allen T. Treadway, Massachusetts
Secretary of the Treasury Ogden L. Mills and Federal Reserve Board Governor Eugene Meyer
Dinner—Secretary of the Treasury Ogden L. Mills and Secretary of Agriculture Arthur M. Hyde
Walter H. Newton, Secretary to the President

July 15

Reconstruction Finance Corporation Directors and Senate conferees
Cabinet
Representative Frederick M. Davenport, New York
Representative Robert L. Hogg and Cara L. Ebert, West Virginia Republican national committeewoman
French Ambassador, Paul Claudel, to present M. Renaitour and M. Coulon
Benjamin B. Gossett, president of the American Cotton Manufacturers Association

Col. William G. Edens, Century of Progress International Exposition, and Captain Imrie, Culver Military Academy
Lunch—Mrs. Ella A. Boole, president of the Woman's Christian Temperance Union
Secretary of the Treasury Ogden L. Mills
Dinner—Secretary of the Navy Charles F. Adams, Secretary of Commerce Robert P. Lamont, and Senator Felix Hebert

July 16

Breakfast—Senator George H. Moses
Senator Daniel O. Hastings, Delaware
Representative Malcolm Baldrige, Nebraska
Secretary of State Henry L. Stimson and Assistant Secretary of State James G. Rogers
Carr P. Collins, Dallas, Tex.
Secretary of Agriculture Arthur M. Hyde
Lunch—Raymond Robins, Charles C. Morrison, and Walter H. Newton
J. Clawson Roop, Director of the Budget
Dinner—Secretary of Agriculture Arthur M. Hyde and Secretaries to the President Theodore G. Joslin and Lawrence Richey

July 17

Breakfast—Dr. Joel T. Boone
Rapidan Camp, Va.—Mr. and Mrs. Mark Sullivan, Lawrence Richey, and Dr. Joel T. Boone

Appendix E

1932

July 18

Rapidan Camp, Va.

July 19

Returned from Rapidan Camp, Va.

Representative Bertrand H. Snell,
House minority leader

Cabinet

Senators Charles L. McNary and Frederick Steiwer, Oregon

Representative Frank Clague, Minnesota

Dinner—John R. Mott, president of the
World's Conference of Young Men's
Christian Associations

Senator David A. Reed, Pennsylvania
Frank T. Hines, Administrator of Veterans' Affairs

Secretary of Agriculture Arthur M. Hyde

James C. Stone, Chairman of the Federal Farm Board

July 20

Breakfast—Mark Sullivan, journalist

Senator James Couzens, Michigan

Secretary of the Treasury Ogden L. Mills

Senator Hiram Bingham, Connecticut

Senator J. Hamilton Lewis, Illinois

Senator Peter Norbeck

Clive T. Jaffray, railway president

Harvey C. Couch, Reconstruction Finance Corporation

Newbold Noyes, Washington Evening Star

Mr. Lee and Mr. Wallace

Representative Robert Luce, Massachusetts

Citizens Military Training Camps at
Fort Washington and Fort Myer,
group

Mr. and Mrs. Harold Titcomb

Col. Williams

David E. Kaufman, United States Minister to Siam

T. V. O'Connor, Chairman of the
United States Shipping Board

Lunch—Secretary of State Henry L. Stimson and former Secretary of State
Frank B. Kellogg

Dinner—Secretary of the Treasury Ogden L. Mills and Harvey D. Gibson
Newton D. Baker

July 21

Breakfast—Mark Sullivan, journalist

Postmaster General Walter F. Brown

David J. Allen and group from New Jersey

Ernest Lee Jahncke, Assistant Secretary of the Navy

James F. Burke, general counsel of the
Republican National Committee

John Barton Payne, Chairman of the
American National Red Cross

Marie M. Meloney, New York Herald Tribune

Fife and Drum Corps of Miami, Fla.

Senator Thomas D. Schall

Charles Law, New York

Snell Smith, New York

David Hinshaw

Lunch—Secretary of the Treasury Ogden L. Mills and George M. Moffett

Appendix E

1932

Postmaster General Walter F. Brown,
Everett Sanders, James F. Burke, Wal-
ter H. Newton, and Lawrence Richey
Everett Sanders, Chairman of the Re-
publican National Committee
J. Clawson Roop, Director of the
Budget

William Hard

Postmaster General Walter F. Brown
and James F. Burke

Received President-elect Harmodio
Arias of Panama

Secretary of Agriculture Arthur M.
Hyde

Returned the call of President-elect
Harmodio Arias of Panama

Gardner Cowles, Reconstruction Fi-
nance Corporation

W. L. Honnold, Los Angeles, Calif.

July 22

Breakfast—W. L. Honnold and Edgar
Rickard

Ernest Lee Jahncke, Assistant Secretary
of the Navy

Secretary of the Treasury Ogden L.
Mills

Cabinet

Eugene Meyer, Governor of the Federal
Reserve Board

Franklin W. Hobbs, president of the
National Association of Wool Grow-
ers

Fred C. Croxton, Reconstruction Fi-
nance Corporation

Wilmer Seawright

Lunch—President-elect Harmodio Arias
of Panama

Secretary of State Henry L. Stimson and
Secretary of War Patrick J. Hurley
Washington Correspondents
Theodore C. Wallen, New York Her-
ald Tribune
Charles A. Miller

July 23

Senator James E. Watson, Senate ma-
jority leader

John Matthew Gries, Federal Home
Loan Bank Board

Secretary of Agriculture Arthur M.
Hyde

J. Clawson Roop, Director of the
Budget

Secretary of Labor William N. Doak

Secretary of Agriculture Arthur M.
Hyde

Jesse H. Jones, Reconstruction Finance
Corporation

Lunch—Henry J. Allen, president of
the Great Lakes-St. Lawrence Tide-
water Association

Rapidan Camp, Va.—Henry J. Allen,
Secretary of Commerce Robert P.
Lamont, Mr. and Mrs. Theodore G.
Joslin and Bobby, Mr. and Mrs. Ed-
gar Rickard, W. L. Honnold, Mr.
and Mrs. F. Louis Slade, and Dr. and
Mrs. Joel T. Boone

July 24

Rapidan Camp, Va.

July 25

Returned from Rapidan Camp, Va.
Edgar Rickard

Appendix E

1932

Senator Wesley L. Jones, Charles Heberd, and Mr. Everett

Marcel Garsaud, Federal Power Commission

Secretary of State Henry L. Stimson

Lunch—Daniel E. Willard, president of the Baltimore and Ohio Railroad Co.

Theodore C. Alford, Kansas City Star and Times

Attorney General William D. Mitchell

Richard H. Aishton, president of the American Railway Association

Ferry K. Heath, Assistant Secretary of the Treasury

J. Clawson Roop, Director of the Budget

Gardner Cowles, Reconstruction Finance Corporation

Secretary of War Patrick J. Hurley

W. Kingsland Macy, New York Republican national committeeman

Secretary of the Treasury Ogden L. Mills

July 26

Breakfast—Mark Sullivan, journalist
Cabinet

Senator Arthur Capper, Kansas

Henry J. Allen, president of the Great Lakes-St. Lawrence Tidewater Association

Lunch—Ernest T. Weir, Pittsburgh manufacturer

Secretary of the Treasury Ogden L. Mills

Harvey C. Couch, Reconstruction Finance Corporation

Wilson McCarthy, Reconstruction Finance Corporation

William Green, president of the American Federation of Labor

William Hard

Secretary of the Treasury Ogden L. Mills

July 27

Breakfast—Mark Sullivan, journalist

Secretary of State Henry L. Stimson

Senator Charles L. McNary

Senator James J. Davis

Secretary of Labor William N. Doak, Mr. Kirwin, and Dr. Baldwin

Harry S. Kissell, president of the National Association of Real Estate Boards

Mr. Case and Mr. Burns

Society of Philatelic Americans, members

South Carolina State champion cotton and corn growers

George Garner, Orlando, Fla.

W. A. Harding, Raymondville, Tex.

Lunch—Secretary of the Treasury Ogden L. Mills, Wade Mills, and Henry M. Robinson

Ferry K. Heath, Assistant Secretary of the Treasury

Andrew W. Mellon, United States Ambassador to Great Britain

Anthony Czarnecki

Secretary of State Henry L. Stimson

Dinner—Henry M. Robinson, Los Angeles banker

Appendix E

1932

July 28

Breakfast—Mark Sullivan, journalist
Secretary of the Treasury Ogden L. Mills

Atlee Pomerene and Charles A. Miller,
Chairman and President of the Re-
construction Finance Corporation

Harvey C. Couch, Reconstruction Fi-
nance Corporation

Senator Royal S. Copeland

Representative Royal C. Johnson, South
Dakota

Representative William R. Wood,
Indiana

Frank C. Munson, president of the Mun-
son Steamship Line

Elmer Caldwell, Los Angeles, Calif.

John N. Willys, United States Amba-
sador to Poland

Secretary of Labor William N. Doak
and Representatives of the United
Mine Workers of America headed by
A. Van Bittner

Mr. Pool, Boston, Mass.

Presented the Distinguished Flying
Cross to Russell Boardman and John
Polando

J. R. McCarl, Comptroller of the United
States

Lunch—Whiting Williams

Reconstruction Finance Corporation
Board of Directors

Attorney General William D. Mitchell

J. Clawson Roop, Director of the
Budget

Dinner—Secretary of War Patrick J.
Hurley

Seth W. Richardson, Assistant Attorney
General

Secretary of War Patrick J. Hurley and
Gen. Douglas MacArthur

July 29

Breakfast—Mark Sullivan and Henry
M. Robinson

Attorney General William D. Mitchell

Henry J. Allen, president of the Great
Lakes-St. Lawrence Tidewater Asso-
ciation

Secretary of War Patrick J. Hurley
Cabinet

C. M. Towers, Collector of Taxes of the
District of Columbia to present dog
tags

Representative Peter A. Cavicchia

Representative Harry L. Englebright
J. Clawson Roop, Director of the
Budget

Lunch—Mrs. Henry M. Robinson

Washington Correspondents

Secretary of Commerce Robert P. La-
mont

July 30

Breakfast—Henry M. Robinson, Los
Angeles banker

Senator Ellison D. Smith and State
treasurer of South Carolina

Secretary of the Treasury Ogden L.
Mills

Representative Albert Johnson, Wash-
ington

J. Clawson Roop, Director of the
Budget

Lunch—Henry M. Robinson, Los
Angeles banker

Appendix E

1932

Rapidan Camp, Va.—Mr. and Mrs. Mark Sullivan, Dr. and Mrs. Joel T. Boone, Lawrence Richey, Postmaster General and Mrs. Walter F. Brown, Henry M. Robinson, Mrs. Dolly Gann, Mr. and Mrs. Albert Lasker, and Mr. and Mrs. James Pole

July 31

Rapidan Camp, Va.

August 1

Returned from Rapidan Camp, Va.
Secretary of Commerce Robert P. La-
mont, Secretary of Labor William N.
Doak, Governor John G. Winant of
New Hampshire, William Philipps,
Henry P. Kendall, James LaFontaine,
Harold M. Davis, James Langley, and
Theodore G. Joslin
Senator James J. Davis

August 2

Breakfast—Mark Sullivan, journalist
Harvey C. Couch, Reconstruction Fi-
nance Corporation
Cabinet
Frederic William Wile, broadcast jour-
nalist
Della B. Hershey, York, Pa.
Lunch—John N. Todd and Postmaster
General Walter F. Brown
James L. West
Secretary of the Treasury Ogden L.
Mills
Everett Sanders, Chairman of the Na-
tional Republican Committee and
Postmaster General Walter F. Brown

August 3

Breakfast—Mr. and Mrs. Walter E.
Hope
Roy D. Chapin, Hudson Motor Co.
Senator Reed Smoot
Matthew Woll, vice president of the
American Federation of Labor
Senator Thomas D. Schall
Representative William R. Coyle, Penn-
sylvania
Samuel N. Reep, president of the Home
Building and Loan Association
Harry J. Haas, president of the Ameri-
can Bankers Association
National Chiropodists Convention,
delegates
Representatives Lamar Jeffers and rep-
resentatives of 20 women's clubs of
Alabama
William B. Poland
Franklin W. Fort, former Representa-
tive of New Jersey
Lunch—Secretary of the Treasury Og-
den L. Mills and Henry M. Robinson
Secretary of War Patrick J. Hurley
Everett Sanders, chairman of the Re-
publican National Committee
Secretary of the Treasury Ogden L.
Mills and Walter E. Hope

August 4

Postmaster General Walter F. Brown
Frank T. Hines, Administrator of
Veterans' Affairs
Henry S. Caulfield, Governor of
Missouri
Charles Hibbard, Spokane, Wash.

Appendix E

1932

George Washington Bicentennial Commission essay contest winner

John Barton Payne, Chairman of the American National Red Cross

Jesse H. Jones, Reconstruction Finance Corporation

Secretary of the Treasury Ogden L. Mills

J. Clawson Roop, Director of the Budget Dinner—Charles D. Hilles, New York Republican national committeeman

August 5

Breakfast—Mark Sullivan, journalist
Harvey C. Couch, Reconstruction Finance Corporation

Cabinet

E. Bertram Mott, Morristown, N.J.

Eugene A. Gilmore, dean of the University of Iowa College of Law

J. Russell Young, Washington Star

Thomas E. Campbell, President of the Civil Service Commission

Lunch—Walter S. Gifford, Director of the President's Organization on Unemployment Relief, and Henry M. Robinson, Los Angeles banker

Secretary of State Henry L. Stimson

Henry W. Anderson

Raymond Robins and Walter H. Newton

August 6

Breakfast—Roy W. Howard, publisher of Scripps-Howard newspapers

Secretary of State Henry L. Stimson

Senator Robert B. Howell, Nebraska

Rapidan Camp, Va.—Henry M. Robinson, Mr. and Mrs. Edwin A. Van Valkenberg, Hanford MacNider, Charles Hibbard, Lawrence Richey, and Dr. Joel T. Boone

August 7

Rapidan Camp, Va.

James R. Garfield, former Secretary of the Interior

August 8

Returned from Rapidan Camp, Va.

Senator George H. Moses, New Hampshire

Secretary of Labor William N. Doak

Balthasar H. Meyer, Interstate Commerce Commission

James R. Garfield, former Secretary of the Interior

Lunch—Henry M. Robinson, Los Angeles banker

Senator George H. Moses, New Hampshire

James F. Burke, general counsel of the Republican National Committee

Secretary of the Treasury Ogden L. Mills

Franklin W. Fort, Chairman of the Federal Home Loan Bank Board

Secretary of the Treasury Ogden L. Mills, Edwin A. Van Valkenberg, James R. Garfield, Raymond Robins, and Walter H. Newton

August 9

Breakfast—Mark Sullivan, journalist
James Scott Burke

Appendix E

1932

Cabinet

Senator Felix Hebert

Secretary of War Patrick J. Hurley,
James Mattern, Bennett Griffin, and
Clarence E. Page

Federal Home Loan Bank Board, new
members

Attended funeral services for James F.
Burke

Senator George H. Moses, New
Hampshire

Senator Felix Hebert, Rhode Island

August 10

Breakfast—Mark Sullivan, journalist

Secretary of State Henry L. Stimson

Senator Frederic C. Walcott,
Connecticut

Representative Ruth Pratt

Gould C. Dietz, Omaha, Nebr.

Henry J. Allen, president of the Great
Lakes-St. Lawrence Tidewater Asso-
ciation

Representative C. William Ramseyer

Representative William E. Hull, Illinois
Harrison E. Spangler and Henry Field,
Iowa

Representative Bertrand H. Snell, New
York

Fred Brenckman, representative of the
National Grange

Malcolm Muir, president of McGraw-
Hill Co.

Eugene Meyer, Governor of the Fed-
eral Reserve Board

Harry L. Bowlby, general secretary of
the Lord's Day Alliance of the United
States

United States Lines' officials, to present
birthday cake

Secretary of the Treasury Ogden L.
Mills

Delaware Boy Scouts

B. A. Finn

National Fraternal Congress of Amer-
ica, delegates

Frank H. Hitchcock

Lunch—Walter C. Teagle, president of
Standard Oil Co. (N.J.), and Henry
M. Robinson, Los Angeles banker

George Akerson, former Secretary to
the President

John G. Sargent, former Attorney
General

Everett Sanders, chairman of the Repub-
lican National Committee

Lenna L. Yost, director of the women's
division of the Republican National
Committee

Ogden M. Reid

Secretary of the Treasury Ogden L.
Mills

Dinner—Mr. and Mrs. Mark Sullivan

August 11

Henry J. Allen, President of the Great
Lakes-St. Lawrence Tidewater Asso-
ciation

Secretary of State Henry L. Stimson
Will Irwin

Frank E. Gannett

Charles E. Roesch, mayor of Buffalo,
N.Y., and Mr. Wright

Representative Charles L. Underhill,
Massachusetts

Appendix E

1932

Louis B. Mayer, president of Metro-Goldwyn-Mayer Co., Inc.

Robert B. Armstrong, Los Angeles Times

Samuel Crowther

Notification luncheon and reception on the White House lawn for party leaders

Dinner—Alice Roosevelt Longworth

Notification of nomination and acceptance address at Constitution Hall

August 12

Breakfast—Mark Sullivan, journalist

Representative John Q. Tilson

Marie M. Meloney, New York Herald Tribune

Adolph C. Miller, Federal Reserve Board of Governors

Cabinet

James C. Stone, Chairman of the Federal Farm Board

Lawrence C. Phipps, former Senator of Colorado

Frank L. Smith, Republican National Committee

Representative James M. Beck, Pennsylvania

Mrs. Harry E. Thomas, Wisconsin

Representative Willis C. Hawley, Oregon

Representative Edith Nourse Rogers, Massachusetts

Wilbur Forrest, New York

Oscar G. Foellinger, owner-publisher of the Fort Wayne News-Sentinel

Mrs. W. E. Kennen, North Carolina
Republican national committeewoman

George Lawson Sheldon, former Governor of Mississippi

Ernest McCall Hawkins, Mississippi State Republican Committee

Joseph R. Nutt, treasurer of the Republican National Committee

J. R. McCarl, Comptroller General of the United States

Charles Hibbard, Spokane, Wash.

Frederick E. Murphy, Minneapolis, Minn.

W. L. Honnold, Los Angeles, Calif.

Washington Correspondents

Franklin W. Fort, Chairman of the Federal Home Loan Bank Board

Royal Kloeber, Acting Director of the Budget

Secretary of State Henry L. Stimson

Atlee Pomerene, Chairman of the Board of Directors of the Reconstruction Finance Corporation

August 13

Senator James J. Davis, Pennsylvania

Secretary of Agriculture Arthur M. Hyde

Secretary of State Henry L. Stimson

Secretary of the Treasury Ogden L. Mills

Secretary of Commerce Roy D. Chapin
Col. Taylor

Representative William R. Eaton, Colorado

Martin Carmody, Supreme Knight of the Knights of Columbus

Mr. Denton

Lenna L. Yost, director of the women's division of the Republican National Committee, and Miss Carter

Appendix E

1932

William R. Castle, Jr., Under Secretary of State

August 14

Lunch—Dr. Charles David Mark
Attended unveiling of a memorial statue of James Cardinal Gibbons, accompanied by Mrs. Hoover, Theodore G. Joslin, and Dr. Joel T. Boone

Departed for the Navy Yard for fishing trip down the Chesapeake Bay on board the *Sequoia*, accompanied by Secretary of War Patrick J. Hurley, Walter E. Hope, Clarence M. Woolley, Henry M. Robinson, Walter H. Newton, Dr. Joel T. Boone, and Secretary of Agriculture Arthur M. Hyde

August 15-16

On board the *Sequoia*

August 17

Returned from fishing trip aboard the *Sequoia*

Dinner—Secretary of War Patrick J. Hurley, Secretary of Agriculture Arthur M. Hyde, Will Irwin, and Clarence M. Woolley

August 18

Postmaster General Walter F. Brown
George F. Shafer, Governor of North Dakota

Senator Robert B. Howell
James L. Wright, Buffalo News

Presented the Distinguished Flying Cross to Wiley Post and Harold Gatty; Senator Hiram Bingham, Clarence M. Young, Assistant Secretary of Commerce for Aeronautics, and William P. MacCracken, member of the National Advisory Committee for Aeronautics, and members of the National Aeronautics Association were in attendance

Lunch—Secretary of Commerce Roy D. Chapin

Secretary of War Patrick J. Hurley
Atlee Pomerene and Wilson McCarthy, Reconstruction Finance Corporation

August 19

Secretary of Agriculture Arthur M. Hyde

Albert Perkins

Secretary of Labor William N. Doak

Secretary of War Patrick J. Hurley

Senator Millard E. Tydings

William R. Castle, Jr., Under Secretary of State

Lunch—William R. Castle, Jr., Under Secretary of State

Rapidan Camp, Va.—William R. Castle, Jr., Under Secretary of State, Robert L. O'Brien, Chairman of the United States Tariff Commission, George Akerson, and Theodore G. Joslin

August 20

Rapidan Camp, Va.

Mr. and Mrs. John C. Martin and Mr. and Mrs. C. M. Morrison arrived

Appendix E

1932

August 21

Rapidan Camp, Va.

August 22

Returned from Rapidan Camp, Va.

William M. Steuart, Director of the
Census

Representative Menalcus Lankford

Representative James M. Beck

Atlee Pomerene, Chairman of the
Board of Directors of the Reconstruc-
tion Finance Corporation

Franklin W. Fort, Chairman of the
Federal Home Loan Bank Board

Dinner—Edward E. Hunt

August 23

Breakfast—Mark Sullivan, journalist
Cabinet

Washington Correspondents

Lunch—Norman H. Davis

J. Clawson Roop, Director of the
Budget

August 24

Breakfast—Mark Sullivan, journalist
Secretary of the Treasury Ogden L. Mills
Paul M. Pearson, Governor of the Virgin
Islands

Sheldon Whitehouse, United States
Minister to Guatemala

Senator Duncan U. Fletcher and Rob-
ert John Taylor of Miami, Fla.

Presented the Congressional Medal of
Honor to Commander Claud A.
Jones, USN
Oscar DePriest

James P. Goodrich, former Governor of
Indiana

Frederick J. Haskins

Louis B. Mayer, president of Metro-
Goldwyn-Mayer Co., Inc.

Richard J. Hopkins, United States Dis-
trict Judge, Wichita, Kans.

Francis C. Young, Chicago, Ill., to
present illuminated copy of "Our
Nation's Prayer"

Lunch—Louis B. Mayer, Joseph M.
Schenck, J. Robert Rubin, and Maj.
John Zanst

Senator Daniel O. Hastings

August 25

Breakfast—Mark Sullivan, journalist

Harvey C. Couch, Reconstruction Fi-
nance Corporation

Postmaster General Walter F. Brown

George L. Harrison, Governor of the
Federal Reserve Bank of New York

Representative James G. Strong, Kansas
Secretary of War Patrick J. Hurley and

A. Johnson and G. W. Laughlin,
Brotherhood of Locomotive Engineers

Otto H. Falk, chairman of the board
of Allis-Chalmers Co.

British Charge d'Affaires, F. D. G. Os-
borne, to present Stanley Melbourne
Bruce, former Prime Minister of
Australia, Mr. Gullett, Minister of
Trade and Customs, and Mr.
McDougal

South African Minister, Eric Hendrick
Louw, to present South African dele-
gation

Appendix E

1932

Ephraim F. Morgan, former Governor of West Virginia, and committee from Berkeley Springs, W. Va.

A. C. Backus, Milwaukee, Wis.

Mr. Jewett, Aberdeen, S. Dak.

Joseph M. Dixon, Assistant Secretary of the Interior

Henry J. Kaiser

J. Clawson Roop, Director of the Budget

Thomas D. Thacher, Solicitor General

Business and Industrial Commission, conference delegates

August 26

Breakfast—Mark Sullivan, journalist
National Conference of Business and Industrial Committees, address at the Department of Commerce Building

A. C. Goodyear, New York

Job's Daughters, delegation

Henry J. Kaiser

Lunch—Howard Heinz, H. J. Heinz Co.

Washington Correspondents

Dinner—Mr. and Mrs. George Horace Lorimer

August 27

Harvey C. Couch, Reconstruction Finance Corporation

Postmaster General Walter F. Brown

Secretary of War Patrick J. Hurley

Hunter L. Gary, Kansas City, Mo.

Charles S. Barrett, former president of the National Farmers' Union

Andrew W. Mellon, United States Ambassador to Great Britain

Franklin W. Fort, Chairman of the Federal Home Loan Bank Board

Rapidan Camp, Va.—Henry M. Robinson, Lawrence Richey, Dr. Joel T. Boone, Mr. and Mrs. Mark Sullivan, Mr. and Mrs. Henry L. Stoddard, Dr. and Mrs. William Wilmer, Walter Teagle, Walter S. Hallanan, Walter F. Dexter, and Mr. Slade

August 28

Rapidan Camp, Va.

August 29

Returned from Rapidan Camp, Va.

Representative Royal C. Johnson

Lenna L. Yost, director of the women's division of the Republican National Committee

Clarence Kemper, Charleston, W. Va.

Andrew W. Mellon, United States Ambassador to Great Britain

Lunch—Secretary of the Treasury Ogden L. Mills and Henry M. Robinson, Los Angeles banker

H. Paul Bestor and James B. Madison, Federal Farm Loan Board

Carl Williams and Mr. Crickmore

Jesse H. Jones, Reconstruction Finance Corporation

Secretary of War Patrick J. Hurley

Dinner—Henry M. Robinson, Los Angeles banker

Secretary of War Patrick J. Hurley, Postmaster General Walter F. Brown, Secretary of the Treasury Ogden L. Mills, Secretary of Agriculture Arthur M. Hyde, Senator Felix Herbert, Walter F. Newton, Lawrence Richey, Henry J. Allen, Joseph R. Nutt, Everett Sanders, William H. Hill, and George Akerson

Appendix E

1932

August 30

Breakfast—Mark Sullivan, journalist
Jesse H. Jones, Reconstruction Finance Corporation
Cabinet
Mrs. James Drain, Spokane, Wash.
South African Minister, Eric Hendrick Louw, to present N. C. Hevenga, Minister of Finance of the Union of South Africa
German Charge d'Affaires, Rudolf Leitner, to introduce Dr. Theodore Lewald, president of the German delegation to the Olympic Games
Lunch—John G. Bullock and W. L. Honnold, Los Angeles
Harvey C. Couch, Reconstruction Finance Corporation
Mrs. Edward E. Gann
Franklin W. Fort, Chairman of the Federal Home Loan Bank Board
Secretary of Agriculture Arthur M. Hyde
William Hard
Dinner—Franklin W. Fort, Chairman of the Federal Home Loan Bank Board

August 31

Breakfast—Mark Sullivan, journalist
Representative William R. Wood, Indiana
Mr. Nelson and Nathan W. MacChesney, Chicago, Ill.
Stanley Washburn
Charles F. Abbott, executive secretary of the American Institute of Steel Construction

Secretary of Agriculture Arthur M. Hyde and James C. Stone, Chairman of the Federal Farm Board
John F. Sinclair, North American Newspaper Alliance
Representative Edward W. Pou, North Carolina
Order of Greek-American Progressive Association, officers
Helen Cheeseman, Michigan Peach Queen
Committee from Harrisonburg, Va., headed by A. S. Sumption, to extend invitation to attend 200th anniversary Shenandoah Valley Pageant
Andrew Kobal, Columbia University
Mrs. Sidney Coleman
William Hard
Secretary of Agriculture Arthur M. Hyde
Lunch—Mr. and Mrs. William S. Paley
Dinner—Secretary of Agriculture Arthur M. Hyde and Mrs. Sidney Coleman

September 1

Charles S. Barrett, former president of the National Farmers' Union
T. V. O'Connor, Chairman of the United States Shipping Board
Henry J. Allen, president of the Great Lakes-St. Lawrence Tidewater Association
Ballington Booth, president of Volunteers of America
Charles E. Mitchell, United States Minister to Liberia

Appendix E

1932

Leslie Salter and mother
Lewis Radcliffe, Deputy Commissioner
of the Bureau of Fisheries, and com-
mittee of the Oyster Association of
New England

David William Davis, former Governor
of Idaho

Cleveland A. Newton, general counsel
of the Mississippi Valley Association

S. Wallace Dempsey, former Repre-
sentative of New York, and Frank A.
Dudley, president of United Hotels of
America

Lunch—Henry M. Robinson, Los
Angeles banker

Joseph M. Dixon, Assistant Secretary of
the Interior, and Charles M. Upham,
American Road Builders' Association

Senator Claude A. Swanson

J. Clawson Roop, Director of the Budget

September 2

Breakfast—Henry M. Robinson and
Mark Sullivan

Secretary of Agriculture Arthur M.
Hyde and James C. Stone, Chairman
of the Federal Farm Board

Frank T. Hines, Administrator of Vet-
erans' Affairs

Cabinet

Francis E. Berry, Jr., Boston, Mass.

Gamma Sigma Fraternity

Postmaster General Walter F. Brown

W. L. Honnold, Los Angeles, Calif.

Lunch—Henry M. Robinson and Frank
T. Hines, Administrator of Veterans'
Affairs

John G. Brown, Indiana

Rapidan Camp, Va.—Mr. and Mrs.
Adolph C. Miller, Capt. and Mrs.
Walter Vernon, Secretary of the Inte-
rior Ray Lyman Wilbur, Dr. Joel T.
Boone, Mr. and Mrs. French Strother,
Mr. and Mrs. Mark Sullivan, Arch W.
Shaw, Mr. and Mrs. Galen Tait, Mr.
and Mrs. M. S. Sherman, W. K. Kel-
logg, Sr., W. K. Kellogg, Jr., and Mr.
and Mrs. Ted Clark

September 3-5

Rapidan Camp, Va.

September 6

Returned from Rapidan Camp, Va.

Harvey C. Couch, Reconstruction Fi-
nance Corporation

Cabinet

William H. Hamilton, New York
banker

Mr. Peterson and Mr. Nixon

Lunch—Secretary of the Interior Ray
Lyman Wilbur

James G. Rogers, Assistant Secretary of
State

Secretary of Labor William N. Doak

Dinner—Secretary of the Interior Ray
Lyman Wilbur and Mr. and Mrs.
Jeremiah Milbank

September 7

Secretary of the Treasury Ogden L.
Mills

Secretary of State Henry L. Stimson

Paul Shoup, Southern Pacific Railroad
Co., and Mr. Daum and Mr. Phillips

Appendix E

1932

Courtland Otis, president of the United States Junior Chamber of Commerce
Edward C. Martin and James M. Hazlett, Philadelphia, Pa.

Representative Frank L. Bowman, West Virginia

Ashmun N. Brown, Providence (R.I.)
Journal and Bulletin

Norman H. Davis, delegate to the General Disarmament Conference
J. Clawson Roop, Director of the Budget
Senators James E. Watson and Henry D. Hatfield

Dinner—Attorney General William D. Mitchell

September 8

Secretary of War Patrick J. Hurley
Eugene Meyer, Governor of the Federal Reserve Board

Marie M. Meloney, New York Herald Tribune

Representative Menalcus Lankford, Virginia

Franklin W. Fort, Chairman of the Federal Home Loan Bank Board

Ferry K. Heath, Assistant Secretary of the Treasury

George Barr Baker

Lunch—Secretary of the Interior Ray Lyman Wilbur, Walter H. Newton, Bishop E. H. Hughes, and Bishop William F. McDowell

George Benson

George Barr Baker

J. Lynch Piland, New York City

J. Clawson Roop, Director of the Budget

Secretary of the Interior Ray Lyman Wilbur and Fred A. Victor, chairman of the Anti-Saloon Campaign Committee

Secretary of the Treasury Ogden L. Mills

Dinner—Mr. and Mrs. Orlando Weber

September 9

Breakfast—Mr. and Mrs. Orlando Weber

Cabinet

Clara B. Burdette and William B. Pettus, president of the California College in China

Edgar B. Brossard, United States Tariff Commission

Washington Correspondents

Everett Sanders, chairman of the Republican National Committee

September 10

Breakfast—Henry M. Robinson and Mark Sullivan

Postmaster General Walter F. Brown
J. Clawson Roop, Director of the Budget

Everett Sanders, chairman of the Republican National Committee

Secretary of State Henry L. Stimson
U. S. Grant, 3d and John Matthew Gries, Federal Home Loan Bank Board

Mrs. O. Max Gardner, North Carolina

Mr. Hutchinson

Wilson McCarthy, Reconstruction Finance Corporation

Appendix E

1932

Everett Sanders, chairman of the Republican National Committee
William R. Castle, Jr., Under Secretary of State
E. T. Clark

September 11

Lunch—Mr. and Mrs. Atlee Pomerene

September 12

Breakfast—Mark Sullivan, journalist
Ernest Lee Jahncke, Assistant Secretary of the Navy
Harvey C. Couch, Reconstruction Finance Corporation
Secretary of Agriculture Arthur M. Hyde
Ferry K. Heath, Assistant Secretary of the Treasury
Charles E. Winter, Attorney General of Puerto Rico
Thomas E. Campbell, President of the Civil Service Commission, and J. E. Thompson
Mr. Williams, Cleveland
Lunch—Archbishop Edward J. Hanna, San Francisco
David Hinshaw and Mr. Hamilton
William P. MacCracken, Jr., former Assistant Secretary of Commerce for Aeronautics
David Lawrence, president of U.S. Daily
J. Clawson Roop, Director of the Budget

September 13

Breakfast—Mark Sullivan, journalist
Cabinet
Washington Correspondents

Viola Smith
Clarence M. Young, Assistant Secretary of Commerce for Aeronautics
Postmaster General Walter F. Brown and Secretary of the Treasury Ogden L. Mills
Lunch—Postmaster General Walter F. Brown
Secretary of the Treasury Ogden L. Mills

September 14

Ernest Lee Jahncke, Assistant Secretary of the Navy
Mr. Brady
George A. Sloane, president of the Cotton Textile Institute, Inc.
Franklin W. Fort, Chairman of the Federal Home Loan Bank Board
J. C. Penney, chairman of the board, J. C. Penney Co.
Secretary of the Treasury Ogden L. Mills
George Bronson Rea
John Taylor Arms, president of the American Society of Etchers
Andrew A. D. Rahn, Minneapolis, and Mrs. Sherman
American Lutheran Church, eastern district convention delegates
Mr. Harding and George B. Walbridge, Detroit, Mich.
Northern States Nut Growers
Walter E. Guyette, Lowell, Mass.
Lunch—Senator Jesse H. Metcalf
Secretary of Agriculture Arthur M. Hyde
Senator L. J. Dickinson
Nicholas Brady

Appendix E

1932

Postmaster General Walter F. Brown	Dinner—W. Kingsland Macy
George Benson	
Dinner—Nicholas Brady	<i>September 16</i>
Secretary of the Treasury Ogden L. Mills	Breakfast—Mark Sullivan, journalist
	Michael Gallagher, president of Pitts-
	ton Co., Cleveland, Ohio
	Secretary of State Henry L. Stimson
	Salmon O. Levinson
	Cabinet
	Representative Robert L. Bacon, New
	York
	Philip Campbell
	Charles H. Sherrill, United States Am-
	bassador to Turkey
	Charles Holman
	Dr. Mitchell
	Secretary of State Henry L. Stimson
	Lunch—Senator Daniel O. Hastings
	Senator Daniel O. Hastings
	Salmon O. Levinson
	Thomas D. Thacher, Solicitor General
	Joseph R. Nutt, treasurer of the Repub-
	lican National Committee
	Atlee Pomerene, Chairman of the
	Board of Directors of the Reconstruc-
	tion Finance Corporation
	<i>September 17</i>
	Breakfast—Mark Sullivan, journalist
	Secretary of the Treasury Ogden L.
	Mills
	LeRoy T. Vernon, Chicago Daily News
	Ira E. Bennett, editor of the Washing-
	ton Post
	Seth W. Richardson, Assistant Attor-
	ney General
	George Barr Baker
	James F. Callbreath, president of the
	American Mining Congress
<i>September 15</i>	
Welfare and Relief Mobilization Con-	
ference, address	
C. Bascom Slomp	
Felix M. Warburg	
O. A. Hammer, Iowa	
Karl G. Frank, owner of Freie Zeitung,	
Newark, N.J.	
Dr. Hammaker and Mr. Fleming	
Dr. Denton	
Sam Lindsay, New York City	
Samuel Babis, King S. Berntheisel, and	
Joseph Kable, Philadelphia, Pa.	
Mr. and Mrs. Severens, Weymouth,	
Mass.	
Lunch—Axtell J. Byles, president of	
Tidewater Associated Oil Co.	
James L. West	
Joseph R. Nutt, treasurer of the Repub-	
lican National Committee	
Daniel E. Willard, president of the Bal-	
timore & Ohio Railroad Co.	
Charles S. Barrett, former president of	
the National Farmers' Union	
Jesse H. Jones, Reconstruction Finance	
Corporation	
J. Clawson Roop, Director of the	
Budget	
Tea—delegates to the Welfare and Re-	
lief Mobilization Conference	
Daniel A. Poling, president of the	
International Interdenominational	
Christian Endeavor Society	

Appendix E

1932

David W. Davis, Chief National Inspector, Crop Production and Farmer's Seed Loans, Department of Agriculture
Lunch—Secretary of War Patrick J. Hurley

September 18

Sherman Rogers
Everett Sanders, chairman of the Republican National Committee
Dinner—Secretary of the Treasury Ogden L. Mills, Secretary of War and Mrs. Patrick J. Hurley, and Everett Sanders

September 19

Breakfast—Mark Sullivan, journalist
Secretary of State Henry L. Stimson
Eugene Meyer, Governor of the Federal Reserve Board
Senator Arthur H. Vandenberg, Michigan
Silas H. Strawn, president of the Chamber of Commerce of the United States
Representative Adam M. Wyant, Pennsylvania
E. F. Scattergood, Los Angeles, Calif.
Senator Henry D. Hatfield and William G. Conley, Governor of West Virginia
John Barton Payne, Chairman of the American National Red Cross
Joseph M. Dixon, Assistant Secretary of the Interior, and J. W. Hart, Rigby, Idaho

Charles G. Ross, St. Louis Post-Dispatch
William R. Castle, Jr., Under Secretary of State
Lunch—William G. Conley, Governor of West Virginia
Julius Klein, Assistant Secretary of Commerce
G. Gould Lincoln, Washington Star
Attorney General William D. Mitchell
Mark Sullivan, journalist
Group of Michigan editors, Senator Arthur H. Vandenberg, Secretary of Commerce Roy D. Chapin, and Henry J. Allen

September 20

Breakfast—Jeremiah Milbank, Edward Hutton, and Ellery Mann
Senator Duncan U. Fletcher
Cabinet
French Charge d'Affaires, Jules Henry, to present Monsieur de Chappedelaine
Lester B. McAllister, Oak Park, Ill., and P. M. Janda, Berwyn, Ill.
Presented medal to Gen. Anton Stephan of the District of Columbia National Guard
Harvey S. Firestone, tire manufacturer
Mr. and Mrs. James J. Patchell
Clara Porter
Representative Gilbert N. Haugen
Lunch—Julius Fleischman
Jay G. Hayden, Detroit News
Ernest Lee Jahncke, Assistant Secretary of the Navy
Attorney General William D. Mitchell

Appendix E

1932

Gardner Cowles, Sr., Reconstruction Finance Corporation, and John H. Cowles, Jr., George Washington Bicentennial Commission

September 21

Secretary of the Treasury Ogden L. Mills
Newbold Noyes, Washington Evening Star
H. O. Derby, New York
George R. Wales, Civil Service Commission
British Charge d'Affaires, F. D. G. Osborne, to present Mr. and Mrs. John Roland Robinson
William Lewis, Boston
William R. Willcox, New York
H. H. Haines, Texas
Lunch—Charles S. Wilson, Federal Farm Board, and Howard E. Babcock, Ithaca, N. Y.
Theodore C. Wallen, New York Herald Tribune
Secretary of State Henry L. Stimson
J. D. Bradley, president of the Elk River Coal and Lumber Co.
Fred Haskins
Norman H. Davis, delegate to the General Disarmament Conference

September 22

Breakfast—James P. Goodrich, former Governor of Indiana, and Will Hays
Secretary of State Henry L. Stimson
Senator Hiram Bingham, Connecticut

Lenna L. Yost, director of the women's division of the Republican National Committee

Secretary of Labor William N. Doak and delegation of Railway Labor Executives Association

Henry S. Canby, editor of the Saturday Review of Literature

D. L. McElroy, representative of the American Hospital Association

Lawrence M. Judd, Governor of Hawaii

Paul E. Queneau

Mr. Lester, vice president of the California Packing Corp.

National Women's Party, delegation

Clarence M. Young, Assistant Secretary of Commerce for Aeronautics, and Louise Thaden of Baltimore and Frances Marselias of Houston, endurance fliers

International Association of Employment Services, delegation

Lunch—Will Hays

J. Clawson Roop, Director of the Budget

September 23

Harry F. Guggenheim, United States Ambassador to Cuba

Cabinet

Henry I. Harriman, president of the Chamber of Commerce of the United States

John Knight, United States District Judge for the western district of New York

William M. Calder, former Senator of New York, and Mrs. Samuel J. Freund

Appendix E

1932

Representative Carl R. Chindblom,
Illinois
B. E. Wakefield, Wayzata, Minn.
Lunch—H. C. Ogden, Wheeling,
W. Va., newspaper publisher
Paul W. Litchfield, president of Good-
year Tire and Rubber Co.
John Richardson, Arthur Race, and
Frank A. Dudley
Frank Tichenor

September 24

J. Clawson Roop, Director of the Budget
Postmaster General Walter F. Brown
Harrison E. Spangler, Iowa Republican
national committeeman
Representative Frederick M. Davenport
Frank L. Hines, Administrator of Vet-
erans' Affairs
Cass Gilbert, president of the National
Academy of Design
Lunch—Harrison E. Spangler, Iowa Re-
publican national committeeman
Daniel E. Willard, president of the
Baltimore & Ohio Railroad
Gold Star Mother of New York
Secretary of Agriculture Arthur M.
Hyde
George Woodruff and Walter H. New-
ton

September 25

Breakfast—Mr. and Mrs. Harrison E.
Spangler
Lunch—Secretary of State and Mrs.
Henry L. Stimson, Mr. and Mrs. Wal-
ter H. Newton, and Mrs. Charles D.
Walcott

Henry Howe Rathbun
Secretary of Agriculture Arthur M.
Hyde; Reconstruction Finance Cor-
poration members, Atlee Pomerene,
Jesse H. Jones, Gardner Cowles, Sr.,
Wilson McCarthy, and Harvey C.
Couch; and Federal Farm Board
members, C. B. Denman and Charles
S. Wilson

September 26

Jesse H. Jones, Reconstruction Finance
Corporation
Secretary of the Treasury Ogden L.
Mills
Senator Reed Smoot
Representative Edith Nourse Rogers,
Massachusetts
R. F. Bicknell, Boise, Idaho
Representative Carroll L. Beedy, Maine
Mr. Walters
Leland W. Cutler, president of the San
Francisco Chamber of Commerce
Ferry K. Heath, Assistant Secretary of
the Treasury
Dr. Hill and Rev. John Callahan
Lunch—Clarence Dillon, Dillon, Read
and Co.
Secretary of Labor William N. Doak
Post Office Department Building, cor-
nerstone laying
Secretary of War Patrick J. Hurley
Secretary of the Treasury Ogden L. Mills

September 27

Breakfast—Henry M. Robinson, Repre-
sentative John Q. Tilson, and George
Rand

Appendix E

1932

Secretary of War Patrick J. Hurley
Franklin W. Fort, Chairman of the
Federal Home Loan Bank Board
Cabinet

Grace Martin Poole, president of the
General Federation of Women's
Clubs

Mrs. Kirk Monroe

Charles R. Crisp, former Representa-
tive of Georgia

Arthur K. White, New Jersey

O. N. Solbert

Shepherds of Bethlehem, delegation

Mr. Wynn

Representative Harold McGugin, Kans-
sas

Lunch—George F. Rand, president of
Marine Midland Corp.

Secretary of Commerce Roy D. Chapin
and Alfred P. Sloan, president of
General Motors Corp.

Patrick H. Joyce, president of the Chi-
cago Great Western Railroad

September 28

Breakfast—Henry M. Robinson and
Walter E. Hope

Gardner Cowles, Reconstruction Fi-
nance Corporation

Anthony Czarnecki and Mr. Stuart

Henry L. Stoddard

George W. Farney, Morristown, N.J.

Postmaster General Walter F. Brown
and Charles R. Frederickson, presi-
dent of the American Art Works, Inc.

Representative Hamilton Fish, Jr., New
York

Julius Hyman

American Association of Engineers,
convention delegates

International Beauty and Barber's Sup-
ply Dealers Association

Sam L. Smith, North Carolina

Lunch—Cleveland A. Newton, general
counsel of the Mississippi Valley As-
sociation

Secretary of the Treasury Ogden L.
Mills

Walter E. Hope, former Assistant Sec-
retary of the Treasury

William Hard

September 29

Breakfast—Mark Sullivan, journalist

Gertrude B. Lane, editor of the
Woman's Home Companion

Cleveland A. Newton, general counsel
of the Mississippi Valley Association

Mabel Walker Willebrandt, former As-
sistant Attorney General

Robert P. Boylan, Robert MacDougal,
James Norris, and S. C. Harris, Chi-
cago Board of Trade

Representative James M. Beck, Penn-
sylvania

Representative George P. Darrow,
Pennsylvania

Edward D. Ross and delegation of the
National Association of Credit Men
Counselor of Cuban Embassy, Jose T.
Baron, to present Cuban good will
fliers

Chief Justice Charles Evans Hughes
and senior Federal Circuit Court
judges

Appendix E

1932

Kilian J. Hennrich, president of the National Board of Directors of the Catholic Boys Brigade of the United States

Morris Plan Bankers Association, convention delegates

Lunch—John Hertz

Secretary of the Interior Ray Lyman Wilbur

J. Clawson Roop, Director of the Budget

Broadcast from study on child health

Gertrude B. Lane, editor of *Woman's Home Companion*

September 30

Breakfast—Mark Sullivan, journalist

Julius Klein, Assistant Secretary of Commerce

Cabinet

Stanley Dollar, president of the Dollar Steamship Lines

Clarence Hettrick, mayor of Ashbury Park, N. J.

William E. Lamb

Franklin W. Fort, Chairman of the Federal Home Loan Bank Board

Representative Fred A. Britten

Lunch—Walter E. Edge, United States Ambassador to France

Charles S. Barrett, former president of the National Farmers' Union

October 1

John R. Mott, president of the World's Conference of Young Men's Christian Associations

José L. Pesquera, Resident Commissioner of Puerto Rico

Postmaster General Walter F. Brown
T. V. O'Connor, Chairman of the United States Shipping Board

Curtis D. Wilbur

Colored Voters Committee

Willard Family Association

Secretary of Labor William N. Doak

Mrs. Sidney C. Brown, Tampa, Fla.

E. A. Goldenweiser

F. D. Grab

Raymond Benjamin, assistant chairman of the Republican National Committee

Secretary of Agriculture Arthur M. Hyde

October 2

George Akerson, former Secretary to the President

Lunch—George Akerson and Mrs. Henry M. Robinson

E. A. Goldenweiser

Dinner—Secretary of Commerce and Mrs. Roy D. Chapin

October 3

James G. Rogers, Assistant Secretary of State

Secretary of State Henry L. Stimson

Gilbert Bettman, attorney general of Ohio

Franklin W. Fort, Chairman of the Federal Home Loan Bank Board

Attorney General William D. Mitchell

Departed for Des Moines, Iowa

Appendix E

1932

October 4

En route to Des Moines, Iowa
Rear platform remarks in:
Rock Island, Ill.
Davenport, Iowa
West Liberty, Iowa
Des Moines, Iowa:
Address at Coliseum
Remarks at Shriners' Auditorium
Remarks at State House
Remarks at Editors' meeting
Departed for Washington, D.C.

October 5

En route to Washington, D.C.
Rear platform remarks in Fort Wayne,
Ind.

October 6

Returned from Des Moines, Iowa
Representative Allen T. Treadway,
Massachusetts
John C. Cosgrove, president of the Cos-
grove-Meehan Coal Corp.
Reception—Supreme Court Justices
John B. Gallagher, publisher of the
Louisville (Ky.) Herald-Post and
H. E. Baumgartin
John H. Cowles, Louisville, Ky.
Lawrence C. Phipps, former Senator of
Colorado
Bolivian Minister, Luis O. Abelli, on
departure
Betty Morgan Shipp to present dates
from California

American Safety Congress, delegation
Federal Home Loan Bank directors
Clarence E. Spayel
Lunch—Dr. Henry S. Pritchett and
Henry M. Robinson
Frank T. Hines, Administrator of
Veterans' Affairs
J. Clawson Roop, Director of the
Budget

October 7

Breakfast—Mark Sullivan, journalist
Cabinet
J. Clawson Roop, Director of the
Budget
American Legion committee, headed by
John T. Taylor, to invite President to
make an address at the rededication
of the Unknown Soldier's Tomb
Franklin W. Fort, Chairman of the
Federal Home Loan Bank Board
Military Order of the World War,
delegation
Boy Scouts, regional meeting, Pennsyl-
vania, Delaware, Maryland, Virginia,
and the District of Columbia
Lunch—Mrs. Alvin T. Hert, Kentucky
Republican national committeewoman
Washington Correspondents
Hubert Work, former chairman of the
Republican National Committee

October 8

Harvey C. Couch, Reconstruction Fi-
nance Corporation

Appendix E

1932

Secretary of State Henry L. Stimson
and Secretary of Commerce Roy D.
Chapin
George Van Horn Moseley
Senator Thomas D. Schall, Minnesota,
and D. L. McBride, Minneapolis
Senator Hamilton F. Kean, New Jersey
Mr. Ailshie, Idaho
J. Clawson Roop, Director of the
Budget
Arthur A. Ballantine, Under Secretary
of the Treasury

October 9

Arthur A. Ballantine, Under Secretary
of the Treasury
Laura Curtis

October 10

Julius Klein, Assistant Secretary of
Commerce
Postmaster General Walter F. Brown
Frederic M. Sackett, United States Am-
bassador to Germany
Senator David A. Reed and group from
Pennsylvania
Alfred P. Thom, general counsel of the
Association of Railway Executives
Frederick E. Murphy, Minneapolis,
Minn.
National Conference of Business Paper
Editors, delegation
Carleton College, Northfield, Minn.,
football team

Charles H. Sherrill, United States Am-
bassador to Turkey
Lunch—Charles J. Schuck, chairman of
West Virginia Republican National
Committee
Football stars, four
Franklin W. Fort, Chairman of the
Federal Home Loan Bank Board
Walter E. Edge, United States Amba-
sador to France

October 11

Breakfast—Mr. and Mrs. Henry M.
Robinson and Mark Sullivan
Representative Joseph W. Martin, Jr.,
Massachusetts
Cabinet
Harvey S. Firestone
Senator Simeon D. Fess
Louis Johnson and John Thomas Tay-
lor, American Legion
Polish National Alliance, convention
delegates
Referees in bankruptcy, conference de-
legates
Laurits S. Swenson, former Ambassa-
dor to Norway
R. A. Long
Lunch—William S. Fitzpatrick and
Henry M. Robinson
Mrs. Norman C. Brown, Oliver W.
Stewart, and Walter H. Newton
Dinner—Albert D. Lasker, former
Chairman of the United States Ship-
ping Board
Mark Sullivan, journalist

Appendix E

1932

October 12

Breakfast—Mark Sullivan and Albert D. Lasker
Frederic M. Sackett, United States Ambassador to Germany
W. A. Bechtel, San Francisco, Calif.
H. Paul Bestor, Farm Loan Commissioner
Edward M. Mills, president of the Washington Pulp & Paper Co., and Mr. Whitney
Joseph Di Giorgio and Mr. Martin French Ambassador, Paul Claudel, to present Paul Reynaud, former Minister of Finance of France
Counselor of British Embassy, F. D. G. Osborne, to present Lord Reading
Representative John B. Hollister, Ohio
Presentation of the President's Cup to winner of 1932 Regatta
Lawrence M. Judd, Governor of Hawaii
Harry F. Burgess, Governor of the Panama Canal Zone
George Farrand and son of Los Angeles, Calif.
Frederick L. Olmstead
Daniel S. Robinson, Indiana
Lunch—Mr. and Mrs. French Strother
Everett Martin
American Bar Association, Constitution Hall, address

October 13

Breakfast—Henry M. Robinson and Mark Sullivan
Supreme Court Building, cornerstone laying

Frank T. Hines, Administrator of Veterans' Affairs
Rentfro B. Creager and Capt. Baker
Mrs. Helena C. Gunnison
Albert L. Watson, Scranton, Pa.
Bonus Expeditionary Force, group of officers
Eugene N. Foss, former Governor of Massachusetts
Miss Peiser, San Francisco, Calif.
Mr. Conover, Bloomfield, N.J.
Byron W. Skillen, University of Pennsylvania
J. Clawson Roop, Director of the Budget
Michael Gallagher, president of Pittston Co., Cleveland, Ohio
Henry L. Stoddard
Judicial reception

October 14

Breakfast—Mark Sullivan, journalist
Senator David A. Reed, Pennsylvania
Cabinet
Senator Wallace H. White, Jr., Maine
Tau Beta Pi, national convention delegates
University of Ohio football team
Lunch—French Strother
Raymond Benjamin and Salmon O. Levinson
Washington Correspondents
Walter E. Hope, former Assistant Secretary of the Treasury
Dinner—Walter E. Hope, former Assistant Secretary of the Treasury

Appendix E

1932

October 15

Departed for Cleveland, Ohio

Rear platform remarks en route in:

Martinsburg, W. Va.

Cumberland, Md.

Meyersdale, Pa.

Connellsville, Pa.

McKeesport, Pa.

Zelienople, Pa.

Newcastle, Pa.

Youngstown, Ohio

Akron, Ohio

Address in Cleveland, Ohio

Departed for Washington, D.C.

October 16

Returned from Cleveland, Ohio

Lunch—Secretary of the Treasury

Ogden L. Mills and Everett Sanders,
chairman of the Republican National
Committee

Radio address in connection with the
opening of the Welfare and Relief
Mobilization conference

October 17

Secretary of Agriculture Arthur M.
Hyde

James H. Rand, Jr., president of the
Remington Rand Co.

Joseph E. Scott

Austrian Minister, Edgar L. G. Proch-
nik, to present Ernst Benedict, editor
and publisher of the Neue Freie
Presse, of Vienna, Austria

Mr. MacCracken and Mr. Thompson

E. E. Day, Rockefeller Foundation, and
J. H. Williams, Harvard University

Harry T. Phoebe, candidate for Con-
gress, Princess Anne, Md.

Seth Howard, adjutant general of Cali-
fornia

Edwin C. Uehlien

Guy A. Thompson, retiring president
of the American Bar Association

Secretary of the Treasury Ogden L.
Mills

Secretary of Commerce Roy D. Chapin
Bishop Edwin H. Hughes

October 18

Breakfast—Henry M. Robinson and
Mark Sullivan

Julius Klein, Assistant Secretary of
Commerce

Cabinet

Col. Donald H. Sawyer

Franklin W. Fort, Chairman of the
Federal Home Loan Bank Board

Arthur Brisbane, editor of the Chicago
Herald and Examiner

Jesse H. Jones, Reconstruction Finance
Corporation

D. W. Walker

October 19

Breakfast—Mark Sullivan, journalist

Julius Klein, Assistant Secretary of
Commerce

Secretary of the Treasury Ogden L.
Mills

A. Johnston, president of the Brother-
hood of Locomotive Engineers

William R. Castle, Jr., Under Secretary
of State

Appendix E

1932

Newbold Noyes, Robert H. Lucas, and
J. Francis McDermott

National League of District Postmas-
ters, convention delegates

Charles R. Pierce of Miami and Will R.
Porter of Key West, Fla.

Lunch—John J. Pew of Chester, Pa.,
and Henry M. Robinson

George R. Fearon, New York State
senator

Secretary of Agriculture Arthur M.
Hyde

October 20

Breakfast—Walter E. Hope, former As-
sistant Secretary of the Treasury
Representative Frank L. Bowman, West
Virginia

Chinese Charge d'Affaires, Anching
Kung, to present H. H. Kung, mem-
ber of the Executive Council of the
National Government

Norman Armour, United States Min-
ister to Haiti

International oratorical contest, final-
ists

Clinton County, Ohio, 4-H Club group
C. Bascom Slep and Joseph L. Crup-
per, Virginia Republican national
committeeman

John M. Wolverton, former Representa-
tive of West Virginia

Marshall De Motley, Corning, Calif.

Joseph Tolbert, U.S. attorney, S.C.

Lunch—Secretary of State Henry L.
Stimson

J. Clawson Roop, Director of the
Budget

Secretary of the Treasury Ogden L.
Mills, Myron C. Taylor, and George
Barr Baker

Walter E. Hope, former Assistant Secre-
tary of the Treasury

October 21

J. Clawson Roop, Director of the Budget
Cabinet

Italian Ambassador, Nobile Giacomo de
Martino, to present Baroness Man-
tica Beszi

Moissaye Boguslawski

Women's Motor Corps, delegation

National Conference on Bank Auditors
and Comptrollers, eastern regional
conference delegation

National American Racing Pigeon
Association, convention delegates

Edward J. W. Profit, president of the
Investing Corporation of New York
Mr. Hutchinson

Walter E. Hope, former Assistant Sec-
retary of the Treasury

Secretary of the Treasury Ogden L.
Mills

Departed for Detroit, Mich.

October 22

En route to Detroit, Mich., rear plat-
form remarks in:

Charleston, W. Va.

Huntington, W. Va.

Kenova, W. Va.

Ironton, Ohio

Portsmouth, Ohio

Waverly, Ohio

Chillicothe, Ohio

Appendix E

1932

- En route to Detroit, Mich., rear platform remarks in—Continued
Circleville, Ohio
Columbus, Ohio
Delaware, Ohio
Marion, Ohio
Fostoria, Ohio
Toledo, Ohio
Monroe, Mich.
Address in Detroit, Mich.
Departed for Washington, D. C.
- October 23*
- Returned from Detroit, Mich.
Senator David A. Reed
- October 24*
- Postmaster General Walter F. Brown
Secretary of the Treasury Ogden L. Mills
Julius Klein, Assistant Secretary of Commerce
Representative Hamilton Fish, Jr., New York
Mr. Ritter
W. L. Honnold, Los Angeles, Calif.
Allan Fox and Raymond Richmond
Mr. Huffer
Anne O'Hare McCormick
American Public Health convention, Willard Hotel, accompanied by Dr. Joel T. Boone
Lawrence Richey and Lewis L. Strauss
- October 25*
- Breakfast—Mark Sullivan, journalist
Cabinet
- F. Richard Schaaf, president of the First National Bank, Gary, Ind.
Robert B. Armstrong, Los Angeles Times
David Snow
Frederick Kuh and Henry F. Misselwitz, United Press Association
James W. Fawcett, Washington Star
Lunch—William Nelson Cromwell, New York
John L. Lewis, president of the United Mine Workers of America
Arthur A. Ballantine, Under Secretary of the Treasury
- October 26*
- Breakfast—Mark Sullivan, journalist
Major Clark and Adm. Robert E. Coontz, Commander in Chief of the Veterans of Foreign Wars
American Public Health Association, convention delegates
Seaboard Air Line Railroad Company, surgeons
Attorney General William D. Mitchell
Thomas D. Thacher, Solicitor General
Charles F. Scott, Republican national committeeman
William O. Batervelt
Henry J. Allen, president of the Great Lakes-St. Lawrence Tidewater Association
Secretary of War Patrick J. Hurley
Henry J. Allen
- October 27*
- Breakfast—Henry J. Allen and Mark Sullivan

Appendix E

1932

Secretary of the Interior Ray Lyman Willbur	Arrived in Washington, D.C.
Young Republicans	<i>October 30</i>
President presented flag to Comdr. L. J. Gulliver of the U.S.S. <i>Constitution</i>	Henry J. Allen, Walter E. Hope, and French Strother
Knights of Pythias, convention delegates	Dinner—Henry J. Allen, Walter E. Hope, French Strother, and Walter H. Newton
Franklin W. Fort, Chairman of the Federal Home Loan Bank Board	Secretary of the Treasury Ogden L. Mills
Gen. James A. Drain	<i>October 31</i>
Secretary of State Henry L. Stimson	Breakfast—Mark Sullivan, journalist
Mark Sullivan, journalist	Walter E. Hope, Henry J. Allen, and French Strother
Henry J. Allen, president of the Great Lakes-St. Lawrence Tidewater Association	Departed for New York City
Departed for Indianapolis, Ind.	En route to New York City, remarks in:
<i>October 28</i>	Baltimore, Md.
En route to Indianapolis, Ind., rear platform remarks in:	Newark, Del.
Parkersburg, W. Va.	Wilmington, Del.
Athens, Ohio	Chester, Pa.
Hamden, Ohio	Philadelphia, Pa.
Chillicothe, Ohio	Trenton, N.J.
Cincinnati, Ohio	Address at Mosque Theatre, Newark, N.J.
Hamilton, Ohio	Address at Madison Square Garden, New York, N.Y.
Oxford, Ohio	Remarks at Carnegie Hall, New York, N.Y.
Connersville, Ind.	Departed for Washington, D.C.
Rushville, Ind.	<i>November 1</i>
Address in Indianapolis, Ind.	Returned from New York City
Departed for Washington, D.C.	Cabinet
<i>October 29</i>	Frederick B. Balzar, Governor of Nevada
En route to Washington, D.C., rear platform remarks in:	F. Lamot Belin, United States Ambassador to Poland
Clarksburg, W. Va.	Lunch—Henry J. Allen and French Strother
Grafton, W. Va.	
Piedmont, W. Va.	
Keyser, W. Va.	
Martinsburg, W. Va.	

Appendix E

1932

November 2

Breakfast—Henry J. Allen, Henry M. Robinson, Walter E. Hope, Mark Sullivan, and French Strother
George Z. Medalie of New York
To Carleton Hotel for radio broadcast to California Day meeting in Los Angeles

November 3

John Barton Payne, Chairman of the American National Red Cross, to enroll President in the annual Red Cross roll call
Secretary of State Henry L. Stimson
Lunch—Henry J. Allen, Walter E. Hope, Mark Sullivan, and French Strother
Departed on Western trip
Rear platform remarks in Connellsville, Pa.

November 4

Western trip, rear platform remarks in:
Nappanee, Ind.
Woodville, Ind.
Gary, Ind.
Gresham Junction, Ill.
Joliet, Ill.
Morris, Ill.
Ottawa, Ill.
LaSalle, Ill.
Henry, Ill.
Peoria, Ill.
Remarks in Springfield, Ill.
Address in St. Louis, Mo.

November 5

Western trip, rear platform remarks in:
Freeport, Ill.
Rockford, Ill.
Belvidere, Ill.
Beloit, Wis.
Remarks at University of Wisconsin, Madison, Wis.
Rear platform remarks in:
Baraboo, Wis.
Elroy, Wis.
Merrillan, Wis.
Eau Claire, Wis.
Hudson, Wis.
Address in St. Paul, Minn.

November 6

Western trip, remarks in Denver, Colo.

November 7

Western trip, remarks in Evanston, Wyo., and Echo, Utah
Address at Mormon Tabernacle in Salt Lake City, Utah
Remarks in Ogden, Utah
Radio address in Elko, Nev.

November 8

Western trip, remarks in:
Colfax, Calif.
Sacramento, Calif.
Oakland, Calif.
Palo Alto, Calif.
San Francisco, Calif.

November 9–10

In Palo Alto, Calif.

Appendix E

1932

November 11

Departed Palo Alto, Calif., to return to Washington, D. C.

Walter E. Hope, former Assistant Secretary of the Treasury

Secretary of Labor William N. Doak
Lewis L. Strauss

November 12

En route to Washington, D. C., remarks in:

Glendale, Calif.

Pasadena, Calif.

Pomona, Calif.

San Bernardino, Calif.

Hoover Dam, Boulder City, Nev.

Lenna L. Yost, director of the women's division of the Republican National Committee

Secretary of Commerce Roy D. Chapin
Edgar Rickard

Lunch—Secretary of State Henry L. Stimson

Postmaster General Walter F. Brown
Vice President Charles Curtis

Attorney General William D. Mitchell
Franklin W. Fort, Chairman of the Federal Home Loan Bank Board

November 13

En route to Washington, D.C., remarks in Tucumcari, N. Mex.

James C. Stone, Chairman of the Federal Farm Board

November 14

En route to Washington, D. C., remarks in Liberal, Kans.

J. Clawson Roop, Director of the Budget
Secretary of State Henry L. Stimson

Secretary of the Treasury Ogden L. Mills

November 15

En route to Washington, D. C.

Dinner—Secretary of Agriculture and Mrs. Arthur M. Hyde and Edgar Rickard

November 16

Arrived in Washington, D.C.

Marie M. Meloney, New York Herald Tribune

Secretary of the Treasury Ogden L. Mills

Henry J. Allen, president of the Great Lakes-St. Lawrence Tidewater Association

Everett Sanders, chairman of the Republican National Committee

Senator David A. Reed, Pennsylvania

November 17

Ernest Lee Jahncke, Assistant Secretary of the Navy

William R. Castle, Jr., Under Secretary of State

Representative Ruth Pratt

Postmaster General Walter F. Brown

Henry J. Allen, president of the Great Lakes-St. Lawrence Tidewater Association

Mary E. Woolley, delegate to the General Disarmament Conference

Appendix E

1932

German Ambassador, Friedrich von Prittwitz, to present Julius C. Curtius, former Minister of Foreign Affairs of Germany

Secretary of War Patrick J. Hurley

Secretary of Agriculture Arthur M. Hyde

Lunch—Alice Roosevelt Longworth and James R. Garfield

Secretary of the Treasury Ogden L. Mills

George deB. Keim, secretary of the Republican National Committee

Joseph R. Nutt, treasurer of the Republican National Committee

Frank T. Hines, Administrator of Veterans' Affairs

J. Clawson Roop, Director of the Budget

Walker S. Buel, Cleveland Plain Dealer

Eugene Meyer, Governor of the Federal Reserve Board

Dinner—Ambassador and Mrs. Walter E. Edge and Joseph R. Nutt

November 18

Franklin W. Fort, Chairman of the Federal Home Loan Bank Board
Cabinet

Charles A. Miller, President of the Reconstruction Finance Corporation
Representative Clyde Kelly, Pennsylvania

Henry J. Haskell, editor of the Kansas City Star

Lunch—Everett Sanders, chairman of the Republican National Committee, and Walter H. Newton

Cuban Ambassador, Oscar B. Cintas, to present letters of credence

Secretary of State Henry L. Stimson

Secretary of the Treasury Ogden L. Mills

J. Clawson Roop, Director of the Budget

Secretary of Agriculture Arthur M. Hyde

George Akerson, former Secretary to the President

Secretary of the Treasury Ogden L. Mills

November 19

Breakfast—Mark Sullivan, journalist
Julius Klein, Assistant Secretary of Commerce

J. Clawson Roop, Director of the Budget

Special Cabinet meeting

Senator Hiram Bingham

C. Bascom Slep

Secretary of the Treasury Ogden L. Mills

J. Clawson Roop, Director of the Budget

Dinner—Senator and Mrs. Arthur H. Vandenberg

November 20

Secretary of State Henry L. Stimson

Secretary of the Treasury Ogden L. Mills

Dinner—Mr. and Mrs. Will Hays

November 21

Stanley Washburn

Charles J. Hepburn, Philadelphia, Pa.
Representative Burton L. French, Idaho

Appendix E

1932

Representative Fred A. Britten, Illinois
David William Davis, former Governor
of Idaho

French Ambassador, Paul Claudel, to
pay respects as new dean of the Dip-
lomatic Corps

Representative John W. Summers,
Washington

Mr. and Mrs. Sidney Long, San Fran-
cisco, Calif.

Secretary of the Treasury Ogden L.
Mills

Lunch—Senator Frederic C. Walcott
Secretary of State Henry L. Stimson
and Secretary of the Treasury Ogden
L. Mills

Atlee Pomerene, Chairman of the
Board of Directors of the Reconstruc-
tion Finance Corporation

Dinner—Will Irwin

Secretary of the Treasury and Mrs. Og-
den L. Mills

November 22

Breakfast—Mark Sullivan, journalist
Cabinet

John F. Harris, Florida Republican na-
tional committeeman

John R. Mott, president of the World's
Conference of Young Men's Christ-
ian Associations

President-elect Franklin Delano Roose-
velt, Raymond Moley, and Secretary
of the Treasury Ogden L. Mills

November 23

Breakfast—Mark Sullivan, journalist
Secretary of the Treasury Ogden L.
Mills

Secretary of State Henry L. Stimson
War debt conference with legislative
leaders of Congress

General and Mrs. Storey and Robert B.
Armstrong, Los Angeles Times
Lunch—Representative Bertrand H.
Snell, House minority leader
Will Irwin

Secretary of State Henry L. Stimson
Secretary of the Treasury Ogden L.
Mills

November 24

Walter H. Newton, Secretary to the
President

Dinner—Attorney General and Mrs.
William D. Mitchell, Under Secretary
of State and Mrs. William R. Castle,
Jr., Mr. and Mrs. Thomas E. Camp-
bell, and Col. Campbell B. Hodges

November 25

Breakfast—Mark Sullivan, journalist
Released homing pigeons carrying Pres-
ident's endorsement of the annual
Christmas seal campaign to the Na-
tional Tuberculosis Association head-
quarters in New York

Cabinet

Adolph C. Miller, Federal Reserve
Board of Governors

H. Paul Bestor, Farm Loan Com-
missioner

Daniel E. Willard, president of the
Baltimore and Ohio Railroad Co.

H. V. Kaltenborn, Columbia Broadcast-
ing System, Inc.

Representative Tom D. McKeown

Appendix E

1932

Mabel Walker Willebrandt, former

Assistant Attorney General

James L. Vai

Mr. Brown, Indiana

Lunch—Ethel Barrymore, Mr. and Mrs.

Frederick E. Murphy, Col. Campbell

B. Hodges, and French Strother

Arthur A. Ballantine, Under Secretary
of the Treasury

Christian A. Herter

Christmas seal campaign, radio remarks

J. Clawson Roop, Director of the
Budget

William R. Castle, Jr., Under Secretary
of State

November 26

Breakfast—Mark Sullivan

Representative Bertrand H. Snell, New
York

Secretary of the Interior Ray Lyman
Wilbur

Julius Klein, Assistant Secretary of
Commerce

Herbert Fleishhacker, San Francisco
banker

Roscoe Simmons

E. R. Groff, St. Augustine, Fla.

J. Clawson Roop, Director of the
Budget

J. Clawson Roop, Director of the
Budget

November 27

Lunch—Mr. and Mrs. Frank Kent

Dinner—Mr. and Mrs. Frank B. Noyes
and Mr. and Mrs. Harold Pratt

November 28

Breakfast—Mark Sullivan, and Mr. and
Mrs. Harold Pratt

Secretary of the Treasury Ogden L.
Mills

Secretary of State Henry L. Stimson

Attorney General William D. Mitchell

Walter E. Edge, United States Amba-
sador to France

Senator Otis F. Glenn

Edgar Rickard

Representative James G. Strong, Kansas

William E. Humphrey, Federal Trade
Commission

John W. Garrett, United States Amba-
sador to Italy

Samuel S. Winslow, Chairman of the
United States Board of Mediation

Franklin W. Fort, Chairman of the
Federal Home Loan Bank Board

John Thomas Taylor, Charles Mann,
and Mrs. J. Woodruff Wheelock

William S. Bennet, former Representa-
tive of New York

Senators Phillips Lee Goldsborough and
John G. Townsend, Jr.

Maurice Maschke, Cleveland, Ohio

Lunch—Lawrence Richey, Secretary to
the President

Panamanian Minister, Ricardo J. Alfaro,
to present letters of credence

J. Clawson Roop, Director of the
Budget

Atlee Pomerene, Gardner Cowles, Sr.,
and Fred C. Croxton, Reconstruction

Finance Corporation

Senator George H. Moses

Appendix E

1932

November 29

Breakfast—Mark Sullivan, journalist
Representative William R. Wood and
Edwin Freund of Valparaiso, Ind.
J. Clawson Roop, Director of the Budget
Senator Charles L. McNary
Cabinet
Chilean Ambassador Miguel Cruchaga
Tocornal
James E. Davidson
Cleveland A. Newton, former Representative of Missouri, and Mr. Steifel of St. Louis
Warren Olney, Jr., San Francisco, Calif.
Franklin W. Fort, Chairman of the Federal Home Loan Bank Board
J. Clawson Roop, Director of the Budget
Secretary of the Treasury Ogden L. Mills
Postmaster General Walter F. Brown and Ira Campbell
Dinner—Postmaster General Walter F. Brown

November 30

Breakfast—Mark Sullivan, journalist
Secretary of War Patrick J. Hurley
Albert W. Shaw
Representative Thomas Hall, North Dakota
Representative Henry W. Watson, Pennsylvania
Harvey C. Couch, Reconstruction Finance Corporation, and John G. Lonsdale, St. Louis banker
Joseph E. Ransdell, former Senator of Louisiana

James P. Goodrich, former Governor of Indiana
Lunch—Raymond Benjamin, assistant chairman of the Republican National Committee
Wilber M. Brucker, Governor of Michigan, and Representative-elect George A. Dondero
J. Clawson Roop, Director of the Budget
Robert Lincoln O'Brien, Chairman of the United States Tariff Commission
Edward G. Lowry, journalist
Secretary of State Henry L. Stimson, Secretary of the Treasury Ogden L. Mills, and Secretary of Commerce Roy D. Chapin
Senator Simeon D. Fess
Dinner—Senator and Mrs. L. J. Dickinson

December 1

Breakfast—Mark Sullivan and Walter E. Hope
Secretary of State Henry L. Stimson
Secretary of the Treasury Ogden L. Mills
George M. Laughlin, Brotherhood of Locomotive Engineers
Representative C. William Ramseyer
Oscar E. Bland, United States Court of Patent Appeals
Samuel L. Rothafel
George Washington Bicentennial medal presentation to President, delegation included Secretary of the Treasury Ogden L. Mills, Senator Simeon D. Fess, Mrs. Fraser, and Representative Sol Bloom

Appendix E

1932

Russell Doubleday
J. Clawson Roop, Director of the
Budget

December 2

Breakfast—Mark Sullivan, journalist
Representative Bertrand H. Snell,
House minority leader
Fred B. Smith, World Alliance for In-
ternational Friendship Through the
Churches
Senator David A. Reed, Pennsylvania
Cabinet
George F. Shafer, Governor of North
Dakota
Franklin W. Fort, Chairman of the
Federal Home Loan Bank Board
Mr. Webb, Nashville, Tenn.
Lunch—Everett Sanders, chairman of
the Republican National Committee

December 3

Breakfast—Mark Sullivan, journalist
Senator Reed Smoot
J. Clawson Roop, Director of the
Budget, and William H. McReynolds,
Director of the Personnel Classifica-
tion Board
George Akerson, former Secretary to
the President
Representative Addison T. Smith,
Idaho
Representative James S. Parker, New
York
Angus W. McLean, former Governor
of North Carolina, and Frank W.
Blair, Detroit, Mich.
Representative Robert G. Simmons

Secretary of State Henry L. Stimson
Henry F. Misselwitz, United Press As-
sociations

December 4

Lunch—Sarah Louise Arnold and Dr.
and Mrs. Augustus Taber Murray
William R. Castle, Under Secretary of
State
Secretary of the Treasury Ogden L.
Mills and George L. Harrison, Gov-
ernor of the Federal Reserve Bank of
New York
Dinner—Justice and Mrs. Harlan Fiske
Stone, Senator and Mrs. David A.
Reed, and Mr. and Mrs. Frank B.
Kellogg

December 5

J. Clawson Roop, Director of the
Budget
Representative Ruth Pratt
Henry P. Fletcher, former Chairman of
the United States Tariff Commission
W. Cameron Forbes, former United
States Ambassador to Japan
J. Clawson Roop, Director of the
Budget
Joint congressional committee
T. V. O'Connor, Chairman of the
United States Shipping Board
Dinner—Assistant Secretary of the
Navy and Mrs. Ernest Lee Jahncke

December 6

Breakfast—Mark Sullivan, journalist
Secretary of the Treasury Ogden L.
Mills

Appendix E

1932

Cabinet

Secretary of State Henry L. Stimson
and Secretary of the Treasury Ogden
L. Mills

Mrs. Murray Boocook, Virginia State
Republican committee

British Ambassador, Sir Ronald Lind-
say, to present Viscount and Lady
Astor

Senator Otis F. Glenn, Illinois

Elizabeth Robins

Bolivian Minister, Enrique Finot, to
present letters of credence

Gilbert Bettman, attorney general of
Ohio

Nathan W. MacChesney

J. Clawson Roop, Director of the
Budget

Secretary of Commerce Roy D. Chapin

Secretary of the Treasury Ogden L.
Mills

Dinner—Representative Ruth Pratt

December 7

Jay O. Hayes, San Jose Daily Mercury
Herald

James C. Stone, Chairman of the Fed-
eral Farm Board

Roy A. Roberts, Kansas City Star

Representative William E. Evans, Cali-
fornia

Representative Frederick M. Davenport
John W. O'Leary, president of the Chi-
cago Association of Commerce

W. E. Remington

Rentfro B. Creager, Texas Republican
national committeeman

Mrs. Paul Fitzsimmons, Rhode Island
Republican national committeewoman

William J. Otjen, commander in chief
of the United Spanish-American War
Veterans

Baltimore football team

Charles J. Moos, St. Paul, Minn., post-
master

Earl W. LaGrant

Secretary of Agriculture Arthur M.
Hyde and Secretary of the Interior
Ray Lyman Wilbur

William H. McReynolds, Director of
the Personnel Classification Board

Representative Jed Johnson and Bruce
Carter

Secretary of the Treasury Ogden L.
Mills

December 8

Postmaster General Walter F. Brown

Senator Arthur Capper, Kansas

Allan Fox

Earle S. Kinsley, Vermont Republican
national committeeman

Senator Frederick Steiwer

Representative Lewis W. Douglas

Military Order of the World War, dele-
gation headed by John Rose Delafield

Robert H. Patchin

John N. Wheeler, president of the Bell
Newspaper Syndicate, Inc.

Mr. and Mrs. Oscar Lawler

Mark Woods

Secretary of the Interior Ray Lyman
Wilbur and committee from the
Aristogenic Association headed by C.
Ward Crampton

Ralph D. Nichols, Seattle, Wash.

Mr. Knight and Mr. Magetti

Appendix E

1932

John Richardson

Lunch—George deB. Keim and Joseph R. Nutt, Republican National Committee

Secretary of Commerce Roy D. Chapin

Secretary of State Henry L. Stimson and Assistant Secretary of State Harvey H. Bundy

J. Clawson Roop, Director of the Budget
Samuel Edgar Nicholson

Clarence Dillon, Dillon, Read and Co.
Dinner—Cabinet

December 9

Breakfast—Mark Sullivan

Senator James E. Watson, Indiana

Michael Gallagher, president of Pittston Co., Cleveland, Ohio

Cabinet

Farmers National Relief Conference, committee headed by Philip Smith

Wallace Townsend, Arkansas Republican national committeeman

Mr. Frick, Des Moines, Iowa

Irish Free State Minister, Michael MacWhite, to present Abbey Players

National Radio Audition contest, 10 finalists

Dinner—Paul Block and Milton H. Esberg

Edward N. Hurley, former chairman of the Emergency Fleet Corporation

William H. Hill

Eugene Meyer, Governor of the Federal Reserve Board

George deB. Keim and Mr. Reddy

Frank Knox, Milton H. Esberg, and Mr. and Mrs. William Allen White

December 10

Lawrence W. Wallace, American Engineering Council

Walter E. Hope, former Assistant Secretary of the Treasury

Senator Roscoe C. Patterson, Missouri
William Loeb, Jr., vice president of the American Smelting and Refining Co.

Frank C. Munson, president of the Munson Steamship Lines

Charles D. Hilles, New York Republican national committeeman

Arthur J. Weaver, former Governor of Nebraska

Mr. and Mrs. Martin Egan

American Society of Mechanical Engineers, represented by Henry Clay Anderson of the University of Michigan

Harvey C. Couch, Reconstruction Finance Corporation

Whiting Williams and Harry L. Hosford, artist

Walter E. Hope, former Assistant Secretary of the Treasury

Frank Knox, publisher of the Chicago Daily News

Senator Reed Smoot

Michael Gallagher, president of Pittston Co., Cleveland, Ohio

Dinner—Gridiron Club, accompanied by Theodore G. Joslin

December 11

Whiting Williams

Secretary of the Treasury Ogden L. Mills

Appendix E

1932

Secretary of State Henry L. Stimson
Alfred H. Kirchhofer, managing editor
of the Buffalo News
Senator Frederic C. Walcott
Dinner—Gardner Cowles, Sr., Recon-
struction Finance Corporation

December 12

Representative John Q. Tilson
Charles E. Morrison
John Lord O'Brian, Assistant to the At-
torney General
Secretary of Labor William N. Doak
and John R. Alpine, Supervising
Director of the United States Em-
ployment Service
Representative C. William Ramseyer,
Iowa
Representatives Homer H. Hall and
Burnett M. Chipperfield, Illinois
Senators Morris Sheppard and Tom
Connally, and Representative R.
Ewing Thomason, Texas
Alexander Legge, president of Interna-
tional Harvester Co.
Francis B. Loomis, foreign adviser of
the Standard Oil Co. of California
Ferry K. Heath, Assistant Secretary of
the Treasury
Greek Minister, Charalambos Simopou-
las, to present C. Kanellopoulos,
member of Greek Congress
L. J. Paulson, Minnesota
Representative Ruth Bryan Owen and
Hamilton Holt, president of Rollins
College

Received deed to Analostan Island, Dis-
trict of Columbia, on behalf of the
United States, for use as a memorial
to former President Theodore Roose-
velt
Postmaster General Walter F. Brown

December 13

Breakfast—Mark Sullivan, journalist
Secretary of War Patrick J. Hurley
Secretary of State Henry L. Stimson
Cabinet
Secretary of State Henry L. Stimson,
Secretary of the Treasury Ogden L.
Mills, and Under Secretary of State
William R. Castle, Jr.
Ernest Hawkins, Mississippi State Re-
publican chairman
Anthony Czarnecki
John J. Leary, journalist
Mr. and Mrs. Andrew Weston, New
York
Secretary of State Henry L. Stimson
Secretary of the Treasury Ogden L.
Mills
Arthur Krock, New York Times
Thomas D. Thacher, Solicitor General
Senator David A. Reed, Pennsylvania
Dinner—Vice President Charles Curtis

December 14

Breakfast—Mark Sullivan, journalist
Senator Daniel O. Hastings
Representative Bertrand H. Snell,
House minority leader
Edward B. Clements, Missouri Repub-
lican national committeeman

Appendix E

1932

Representative George P. Darrow
Representative Harold Knutson and D.
L. McBride, superintendent of the
Anti-Saloon League of Minnesota

Representative Ruth Pratt

Vincent Bendix, president of Bendix
Aviation Corporation, and Charles
Marcus

F. Trubee Davison, Assistant Secretary
of War, and David S. Ingalls, Assistant
Secretary of the Navy (Air)

Senator Tasker L. Oddie

Julian L. Schley, Governor of the Pan-
ama Canal Zone

United States Potters' Association,
members

Chauncey McCormick

Thomas D. Thacher, Solicitor General

Charles S. Dewey, former financial ad-
viser to the Polish Government

Lunch—Mr. and Mrs. Willis J. Abbott,
Mr. and Mrs. Chauncey McCormick,
and Capt. John F. Lucey

Scott Turner, Director of the Bureau of
Mines

Jesse H. Jones, Reconstruction Finance
Corporation

Paul Shoup, president of the Southern
Pacific Railroad Co.

Secretary of the Treasury Ogden L.
Mills

December 15

Breakfast—Mark Sullivan, journalist

Frank H. Hitchcock, former Postmaster
General

Boyd Edwards, headmaster of Mercers-
burg Academy

George deB. Keim, secretary of the Re-
publican National Committee

R. H. Spencer, Texas

Theodore C. Wallen, New York Herald
Tribune

Charles G. Ross, St. Louis Post-Dis-
patch

Edward B. Clements, Missouri Repub-
lican national committeeman

Robert Taft

George Alexander Parks, Governor of
Alaska

Mr. Ripple

Secretary of State Henry L. Stimson

Department of Labor Building, corner-
stone laying

J. Clawson Roop, Director of the
Budget

Frank E. Gannett

Dinner—Assistant Secretary of the
Treasury Ferry K. Heath, Mr. and
Mrs. Mark Sullivan, Mr. and Mrs.
Howard Heinz, Mr. and Mrs. Will
Irwin, and Mr. and Mrs. Edgar
Rickard

Reception—Diplomatic Corps

December 16

Edgar Rickard

George Horace Lorimer, editor of the
Saturday Evening Post

Cabinet

Sam Grier

Arthur Brisbane, Chicago Herald and
Examiner

N. S. Amstutz, Valparaiso, Ind.

Secretary of Agriculture Arthur M.
Hyde and University of Missouri
basketball team

Appendix E

1932

Michael Gallagher, president of Pittston Co., Cleveland, Ohio
Charles A. Miller, President of the Reconstruction Finance Corporation
J. Clawson Roop, Director of the Budget
Secretary of the Treasury Ogden L. Mills
Secretary of State Henry L. Stimson

December 17

Postmaster General Walter F. Brown
Secretary of the Treasury Ogden L. Mills
John V. W. Reynders, vice president of the American Association of Mining Engineers
William V. Hodges
Mr. and Mrs. Herbert Kaufman
Judson C. Welliver, president of Pullman Co.
Engineers Society of Pennsylvania, committee headed by William F. Miller
Jesse Merritt and Mr. Decker
Secretary of State Henry L. Stimson
Secretary of the Treasury Ogden L. Mills, and George L. Harrison, Governor of the Federal Reserve Bank of New York
Senator Reed Smoot
Secretary of State Henry L. Stimson
Engineers Dinner

December 18

Lunch—Henry J. Allen, president of the Great Lakes-St. Lawrence Tidewater Association

Dinner—Senator Felix Hebert, Miss Hebert, and Senator and Mrs. Warren R. Austin

December 19

Secretary of State Henry L. Stimson
Secretary of the Treasury Ogden L. Mills
Lithuanian Minister, Bronius Kasimir Balutis, to present Rt. Rev. Bishop Petras Bucys of Lithuania
Mr. Gilbert
Charles A. Mills, Florida, national vice chairman of the American Legion
Gen. John J. Pershing
Ira E. Bennett, editor of the Washington Post
Jacob A. O. Preus, former Governor of Minnesota
Eugene Meyer, Governor of the Federal Reserve Board
Fred J. Singham, Lockport, N. Y.
Dinner—Mr. and Mrs. William Hard

December 20

Breakfast—Mark Sullivan, journalist
Secretary of the Treasury Ogden L. Mills
Cabinet
Mrs. Harry E. Thomas, Wisconsin Republican national committeewoman
A. C. Backus
Secretary of State Henry L. Stimson and Secretary of the Treasury Ogden L. Mills

Appendix E

1932

Lunch—Secretary of the Treasury
Ogden L. Mills
Paul Shoup, president of the Southern
Pacific Railroad Co., and Elmer R.
Jones, president of the Wells Fargo
Express Co. of Mexico
Secretary of War Patrick J. Hurley
Adolph C. Miller, Federal Reserve
Board of Governors
Senator Simeon D. Fess

December 21

Breakfast—Mark Sullivan, journalist
Edgar W. McCormack
Arch W. Shaw, Chicago
Mr. Hollingsworth, California
Representative Charles L. Gifford,
Massachusetts
Representative Frederick M. Davenport
Representative Samuel S. Arentz,
Nevada
Senator John Thomas, Idaho
Representative Hamilton Fish, Jr.
William S. Culbertson, United States
Ambassador to Chile
Albert W. Jefferis, former Representa-
tive of Nebraska
Senator Arthur R. Robinson, Indiana
Frank Parker Stockbridge
James L. West
Attorney General William D. Mitchell
Senator Frederic C. Walcott
Secretary of State Henry L. Stimson and
Secretary of the Treasury Ogden L.
Mills

December 22

Senator James Couzens, Michigan

Secretary of State Henry L. Stimson,
Secretary of the Treasury Ogden L.
Mills, and Mark Sullivan, journalist
Representative Ruth Pratt, New York
Adolph Pickard
Franklin W. Fort, Chairman of the Fed-
eral Home Loan Bank Board
Thomas E. Campbell, President of the
Civil Service Commission
Harvey C. Couch, Reconstruction Fi-
nance Corporation
LeRoy T. Vernon, Chicago Daily News
Ethelbert Stewart
J. Clawson Roop, Director of the
Budget
Henry F. Misselwitz, United Press
Associations
Dinner—Secretary of War Patrick J.
Hurley

December 23

Breakfast—Mark Sullivan, journalist
Secretary of State Henry L. Stimson
Cabinet
Representative Willis C. Hawley
Lenna L. Yost, director of the women's
division of the Republican National
Committee
Mrs. Mills
Frank T. Hines, Administrator of
Veterans' Affairs
Theodore C. Wallen, New York Herald
Tribune
Secretary of Agriculture Arthur M.
Hyde
Secretary of State Henry L. Stimson
and Norman H. Davis, delegate to
the General Disarmament Conference

Appendix E

1932

Secretary of the Treasury Ogden L. Mills	<i>December 24-31</i>
Departed for fishing trip off the coast of Georgia and Florida	Fishing trip off coast of Georgia and Florida

1933

January 1-2

Fishing trip off coast of Georgia and Florida

January 3

Returned from fishing trip

Cabinet

Washington Correspondents

Polish Ambassador, Tytus Filipowicz, on departure

Lunch—Andrew W. Mellon, United States Ambassador to Great Britain

J. Clawson Roop, Director of the Budget

Mr. Bukley and group of radio performers

Secretary of State Henry L. Stimson

Secretary of the Treasury Ogden L. Mills

January 4

Breakfast—Mark Sullivan, journalist

Secretary of the Interior Ray Lyman Wilbur

Representative Bertrand H. Snell, House minority leader

Representative Florence P. Kahn, California

Secretary of War Patrick J. Hurley

J. Clawson Roop, Director of the Budget

Ira E. Bennett, editor of the Washington Post

Secretary of State Henry L. Stimson
Senators Jesse H. Metcalf and Key Pittman

Gen. Frank R. McCoy, commander of the 4th Corps Area Cavalry Division and 7th Corps Area

Dinner—Assistant Secretary of War and Mrs. Frederick H. Payne and Mrs. Mark Sullivan

January 5

Marie M. Meloney, New York Herald Tribune

Secretary of State Henry L. Stimson

Citizens Conference on the Crisis in Education, National Academy of Sciences Building, address

Allan Fox

William R. Castle, Jr., Under Secretary of State

Representative Ruth Pratt

Richard H. Koch

Marie M. Meloney, New York Herald Tribune

Lunch—Secretary of State Henry L. Stimson

Secretary of State Henry L. Stimson and Secretary of the Treasury Ogden L. Mills

Marie M. Meloney, New York Herald Tribune

Appendix E

1933

- J. Clawson Roop, Director of the Budget
Secretary of Agriculture Arthur M. Hyde
Dinner—Senator and Mrs. David A. Reed
- January 6*
- Senator Arthur Capper
Ira E. Bennett, editor of the Washington Post
Cabinet
Representative Henry E. Barbour, California
Mr. Gary, Kansas City, Mo.
French Ambassador, Paul Claudel, as dean of the Diplomatic Corps to express sympathy on the death of former President Coolidge
Edward E. Hunt, Secretary of the President's Research Committee on Social Trends
Frank Page
Lenna L. Yost, director of the women's division of the Republican National Committee
Edward Clifford and son, Robert L. Clifford, Princeton, N.J.
Ralph Graves
Washington Correspondents
Franklin W. Fort, Chairman of the Federal Home Loan Bank Board
Departed for Northampton, Mass., for the funeral of former President Coolidge, accompanied by Mrs. Hoover and Theodore G. Joslin
- January 7*
- Attended funeral of former President Coolidge
Returned to Washington, D.C.
- January 8*
- Senator James J. Davis, Pennsylvania
Dinner—Senator and Mrs. George H. Moses
- January 9*
- William S. Culbertson, United States Ambassador to Chile
J. Clawson Roop, Director of the Budget
Secretary of War Patrick J. Hurley
Citizens Military Training Camps, group of prize winners
Lunch—Raymond Benjamin, assistant chairman of the Republican National Committee
Senators Daniel O. Hastings and Phillips Lee Goldsborough
J. Clawson Roop, Director of the Budget
David Lawrence, president of U.S. Daily
Thomas D. Thacher, Solicitor General
Harvey C. Couch, Reconstruction Finance Corporation
- January 10*
- Breakfast—Mark Sullivan, journalist
Cabinet
Franklin W. Fort, Chairman of the Federal Home Loan Bank Board
Judge Lamb
Albert G. Simms, former Representative of New Mexico

Appendix E

1933

William R. Castle, Jr., Under Secretary
of State
Senator Simeon D. Fess

January 11

Breakfast—Mark Sullivan, journalist
Marie M. Meloney, New York Herald
Tribune
Senator L. J. Dickinson
Lawrence C. Phipps, former Senator of
Colorado
Representative Edith Nourse Rogers
Frank E. Gannett and daughter
Gustav Lindenthal, president of the
North River Bridge Co.
Lillian M. Gilbreth
General Federation of Women's Clubs
John R. Mitchell, Chairman of the
Minneapolis Federal Reserve Bank
Lunch—John Callan O'Laughlin and
W. Cameron Forbes
Secretary of War Patrick J. Hurley
Philippine Legislative Mission, headed
by Sergio Osmena
Senator Warren R. Austin
George Benson
Albert W. Atwood, writer for the
Saturday Evening Post

January 12

Breakfast—Mark Sullivan, journalist
Secretary of State Henry L. Stimson
Secretary of War Patrick J. Hurley and
Representative Butler B. Hare
Representative William (Ed.) Hull, Il-
linois
Mrs. T. J. Brown and Friends Peace
Committee of Washington, D.C.

Bradley Nash
Henry Esberg
Arthur Dahlberg
Mrs. John F. Sippel and Mrs. Walter S.
Comley, General Federation of
Women's Clubs
Silas H. Strawn, president of the
Chamber of Commerce of the United
States
Secretary of the Interior Ray Lyman
Wilbur
J. Clawson Roop, Director of the
Budget
Arthur Krock, New York Times
Newbold Noyes, Washington Evening
Star
Dinner—Senator Frederic C. Walcott

January 13

Breakfast—Mark Sullivan, journalist
Cabinet
Swiss Charge d'Affaires, Louis H.
Micheli, to present Professor August
Picard, Belgian scientist
John Walter Drake, Detroit
Samuel J. Prescott
Secretary of the Treasury Ogden L.
Mills
John Barton Payne, Chairman of the
American National Red Cross
Secretary of Agriculture Arthur M.
Hyde

January 14

J. Clawson Roop, Director of the
Budget
Representative Robert L. Bacon

Appendix E

1933

Secretary of the Interior Ray Lyman
Wilbur and Secretary of Agriculture
Arthur M. Hyde

Senator William H. King

Job's Daughters

Secretary of State Henry L. Stimson

Secretary of the Treasury Ogden L.
Mills

Secretary of Agriculture Arthur M.
Hyde

J. Clawson Roop, Director of the
Budget

Dinner—Secretary of Commerce and
Mrs. Roy D. Chapin, Joan Chapin,
and Senator and Mrs. Arthur H.
Vandenberg

January 15

Dinner—Justice and Mrs. Harlan Fiske
Stone, Senator and Mrs. Warren R.
Austin, Lawrence Richey, Dr. and
Mrs. Joel T. Boone, Mr. and Mrs.
Mark Sullivan, and Benjamin F.
Ladd

January 16

Breakfast—Mark Sullivan, journalist
Senator Elijah S. Grammer, Washing-
ton

Paul Shoup, president of the Southern
Pacific Railroad Co.

Representative August H. Andresen

Representative Ruth Pratt

Harvey S. Firestone, tire manufacturer

Mr. Haas, San Francisco, Calif.

Mr. Miller, Minneapolis, Minn.

Mr. Hill, New Jersey

Secretary of the Treasury Ogden L.
Mills

Lunch—Henry J. Allen, president of
the Great Lakes-St. Lawrence Tide-
water Association

Robert L. O'Brien, Chairman of the
United States Tariff Commission

Secretary of War Patrick J. Hurley

Dinner—Postmaster General Walter F.
Brown, Mrs. Harry S. New, Mary E.
Woolley, and Clara B. Burdette

January 17

Breakfast—Mark Sullivan

Representative Bertrand H. Snell, New
York

Henry J. Allen, president of the Great
Lakes-St. Lawrence Tidewater As-
sociation

Cabinet

Lunch—Stanislaus Patek, Polish Am-
bassador

Polish Ambassador, Stanislaus Patek,
to present letters of credence

J. Clawson Roop, Director of the Budget
Lawrence Sullivan

Mr. Wallace

Dinner—Senator and Mrs. Daniel O.
Hastings and Senator and Mrs. Otis
F. Glenn

January 18

Breakfast—Mark Sullivan, journalist

Representative William R. Wood

Michael Gallagher, president of Pitts-
ton Co., Cleveland, Ohio

Representative Allen T. Treadway

Washington Correspondents

Thomas D. Thacher, Solicitor General

Representative Harold McGugin,
Kansas

Appendix E

1933

William F. Schilling, Federal Farm Board
Charles F. Abbott, executive director of the American Institute of Steel Construction
Harold Louderback
Simon Lubin
W. W. Morse, Minneapolis, Minn.
George W. Laughlin and A. Johnston, representatives of the Brotherhood of Locomotive Engineers
Lunch—Caroline McCormick Slade and Mrs. James Morrison
Italian Ambassador, Augusto Rosso, to present letters of credence
J. Clawson Roop, Director of the Budget
Secretary of the Treasury Ogden L. Mills
James L. Wright, Buffalo News
Eugene Meyer, Governor of the Federal Reserve Board
Dinner—Under Secretary of the Treasury and Mrs. Arthur A. Ballantine

January 19

J. Clawson Roop, Director of the Budget
Theodore C. Wallen, New York Herald Tribune
Charles B. Rugg, Assistant Attorney General
Otto T. Mallery, Philadelphia, Pa.
Representative Joseph F. Biddle, Pennsylvania
Mrs. Edwin A. Van Valkenberg
Claude McKenzie, Minnesota
Mayor and Mrs. Monroe Stiner, Larchmont, N.Y.

Merl LaVoy
Thomas M. Dripps
Lunch—Secretary of State Henry L. Stimson
G. Gould Lincoln, Washington Star, and Charles S. Groves, Boston Globe
Senator David A. Reed
Merton L. Emerson
J. Clawson Roop, Director of the Budget
Arthur A. Ballantine, Under Secretary of the Treasury

January 20

Harvey C. Couch, Reconstruction Finance Corporation
Secretary of the Treasury Ogden L. Mills
Secretary of State Henry L. Stimson
Cabinet
President-elect Franklin Delano Roosevelt, Secretary of State Henry L. Stimson, Secretary of the Treasury Ogden L. Mills, Raymond Moley, and Norman H. Davis
John R. Millar, Oakland and Detroit
Henry J. Allen, president of the Great Lakes-St. Lawrence Tidewater Association
Newbold Noyes, Washington Evening Star
Joseph R. Nutt, treasurer of the Republican National Committee
Washington Correspondents
Everett Sanders, chairman of the Republican National Committee
Dinner—Attorney General and Mrs. William D. Mitchell

Appendix E

1933

January 21

Breakfast—Mark Sullivan, Joseph R. Nutt and son, and Mr. and Mrs. Edward Galpin and children

Secretary of the Treasury Ogden L. Mills

Representative Bertrand H. Snell, House minority leader

Roy A. Roberts, Kansas City Star

Gaspar G. Bacon, Lieutenant Governor of Massachusetts

Everett Sanders, chairman of the Republican National Committee

J. C. Nichols, Kansas City, Mo.

Franklin W. Fort, Chairman of the Federal Home Loan Bank Board

Charles C. Boyles, Chicago, Ill.

William J. Vereen and Mr. McKenzick

Joseph R. Nutt, treasurer of the Republican National Committee

Anne O'Hare McCormick

Secretary of Agriculture Arthur M. Hyde

Secretary of State Henry L. Stimson, Secretary of the Treasury Ogden L.

Mills, and Assistant Secretary of State Harvey H. Bundy

January 22

Breakfast—Charles D. Hilles, New York Republican national committeeman

Lunch—Dr. and Mrs. Minthorn, Miss Smith, Mrs. Charles D. Walcott, Mr. and Mrs. David Hinshaw and children

Harvey H. Bundy, Assistant Secretary of State

January 23

Breakfast—Mark Sullivan, journalist
Secretary of the Treasury Ogden L. Mills

Senator Frederick Hale

David Hinshaw

Capt. Walter Vernon

Mr. Wilson and Mr. Bratten

Mr. Thompson and Mr. Fleming

William B. Greeley, Seattle, Wash.

Lenna L. Yost, director of the women's division of the Republican National Committee

Postmaster General Walter F. Brown

Secretary of War Patrick J. Hurley

Senator Reed Smoot

Secretary of the Treasury Ogden L. Mills

January 24

Breakfast—Mark Sullivan, journalist
Cabinet

William R. Castle, Jr., Under Secretary of State

Stuart W. Cramer, president of Cramerton Mills

Mr. Hines and Mr. Lyons

Secretary of the Treasury Ogden L. Mills and Under Secretary of the Treasury Arthur A. Ballantine

January 25

Breakfast—Mark Sullivan, journalist
Dr. Taylor

Atlee Pomerene, Chairman of the Board of Directors of the Reconstruction Finance Corporation

Appendix E

1933

Washington Correspondents
British Ambassador, Sir Ronald Lindsay, to present The Marquess of Louthian, Phillip Henry Kerr

January 26

Breakfast—Mark Sullivan, journalist
Representative Bertrand H. Snell, House minority leader
John Q. Tilson, former Representative of Connecticut
Secretary of the Treasury Ogden L. Mills
Secretary of Agriculture Arthur M. Hyde
Amy Tapping
Mrs. Felix Hebert
National Association of Real Estate Boards, delegates
Mr. Robinson and Mr. Mann
Mrs. Edwin A. Van Valkenberg
Stephen Cochran

Secretary of Agriculture Arthur M. Hyde
Lunch—H. Paul Bestor, Farm Loan Commissioner
George Akerson, former Secretary to the President
Senator Robert D. Carey
J. Clawson Roop, Director of the Budget
Senator Felix Hebert
Secretary of the Treasury Ogden L. Mills

January 27

Breakfast—Mark Sullivan, journalist
Senator George H. Moses
Senator Frederic C. Walcott

Secretary of the Treasury Ogden L. Mills and Assistant Secretary of State Harvey H. Bundy

Cabinet

Secretary of the Treasury Ogden L. Mills

Lewis H. Van Dusen and daughters, Philadelphia, Pa.

Representative and Mrs. Herbert J. Drane and officials of Florida Orange Festival

Representative Lloyd Thurston, Iowa
Robert West and daughter

Mrs. Snyder

Thomas E. Campbell, President of the Civil Service Commission

Charles C. Teague, former member of the Federal Farm Board

John Callan O'Laughlin

Admiral and Mrs. William V. Pratt

January 28

Breakfast—Walter E. Hope, former Assistant Secretary of the Treasury

Secretary of the Interior Ray Lyman Wilbur

William Stern, North Dakota

Representative Fred S. Purnell

Senator Phillips Lee Goldsborough

Dr. Joel T. Boone

E. P. Booze

William J. Vereen and Mr. Anderson
George Benson

Jesse H. Jones, Reconstruction Finance Corporation, and E. J. Creekmore

January 29

Frederic S. Snyder, Institute of American Meat Packers

Appendix E

1933

Dinner—Senator and Mrs. David A. Reed

January 30

Postmaster General Walter F. Brown
Robert L. O'Brien, Chairman of the
United States Tariff Commission

J. Clawson Roop, Director of the Budget
William J. Vereen

Representative Charles West

Adelaide Soper, secretary to Jeremiah
Milbank

Melville Gillett

Lunch—Mr. and Mrs. William J. Maier
Secretary of the Treasury Ogden L.
Mills

Charles S. Wilson, Federal Farm Board
Departed for Ohio State Society memorial
services for former President William
McKinley, held in the Shoreham
Hotel

January 31

Breakfast—Mark Sullivan, journalist
Senator Thomas D. Schall

Dinner—W. Kingsland Macy, New
York Republican national commit-
teeman

February 1

Breakfast—Mark Sullivan, journalist
Senator Frederic C. Walcott
Senator Reed Smoot and Preston G.
Peterson, secretary of the Association
of Western Highway Officials

George Woodruff

Mrs. Richard V. Oulahan and son

Irl F. Kennerly, Houston, Tex.

Fred Sawtelle, New York

Secretary of the Treasury Ogden L.
Mills

Harvey H. Bundy, Assistant Secretary
of State, Edmund E. Day, John H.
Williams, and Mr. Staggs

Paul Shoup, president of the Southern
Pacific Railroad Co., and Elmer R.
Jones, president of the Wells Fargo
Express Co. of Mexico

Whiting Williams

Mrs. Jacob Bower, Chicago

Dinner—Mr. and Mrs. Samuel Crow-
ther

February 2

Breakfast—Mr. and Mrs. Samuel Crow-
ther

Mr. Long and Mr. Parkman

Representative William R. Wood

James C. Stone, Chairman of the Fed-
eral Farm Board

Allan Fox and Mr. Jackson

Secretary of Labor William N. Doak

Ernest Lee Jahncke, Assistant Secretary
of the Navy

New England Life Insurance Co., east-
ern managers

James G. Rogers, Assistant Secretary of
State, and R. W. Dunlap, Assistant
Secretary of Agriculture

Secretary of Commerce Roy D. Chapin

Postmaster General Walter F. Brown

J. Clawson Roop, Director of the Budget

Dinner—Senator and Mrs. Jesse H.
Metcalf, Assistant Secretary of the
Treasury and Mrs. James H. Douglas,
Mrs. James Good, and Theodore
Whitmarsh

Appendix E

1933

February 3

Breakfast—Mark Sullivan, journalist
Senator W. Warren Barbour, New Jersey

Interstate Conference of Legislators,
meeting in the Shoreham Hotel, address

William J. Vereen

Cabinet

Mr. Larson, Minnesota

Mrs. Robert Lincoln Hoyle

Secretary of Agriculture Arthur M.
Hyde and S. C. Mastick, New York
State senator

Lawrence W. Wallace, executive secretary
of the American Engineering
Council

Mr. Austin and Mr. Armstrong

Ellery W. Mann, president of the Zon-
ite Products Corporation

Lunch—Mrs. Robert Lincoln Hoyle

H. Paul Bestor, Farm Loan Commis-
sioner

Herbert Kaufmann

Eugene Meyer, Governor of the Federal
Reserve Board

Dinner—Mr. and Mrs. John J. Hopkins

February 4

Arthur A. Ballantine, Under Secretary
of the Treasury

Secretary of Agriculture Arthur M.
Hyde

Postmaster General Walter F. Brown

T. V. O'Connor, Chairman of the Unit-
ed States Shipping Board

J. C. Penney and son, Kimball

Representative August H. Andresen,
Minnesota

George Hatfield, Mr. and Mrs. Fred
Esola, Mr. and Mrs. George Whittell,
and Mr. and Mrs. Jay Stevens, all of
San Francisco, Calif.

Harry E. Hull, Commissioner General
of Immigration

Walter H. Newton and father, Thomas
R. Newton

William J. Vereen

Lunch—Christine Vest

Ashmun N. Brown, Providence (R.I.)
Journal and Bulletin

February 5

Lunch—Mr. and Mrs. Franklin W.
Fort, Mr. and Mrs. French Strother,
and Catherine Norris

Senator Frederic C. Walcott

Dinner—Representative and Mrs. Ber-
trand H. Snell, Senator Elijah S.
Grammer, and Representative and
Mrs. Arthur M. Free

February 6

Breakfast—Mark Sullivan, journalist
John Richardson

Clarence Martin, president of the Amer-
ican Bar Association, and William T.
MacCracken, Jr., former Assistant
Secretary of Commerce

Ben F. Cameron, Mississippi

Attended joint memorial session for
former President Coolidge in the
Chamber of the House of Represent-
atives

Representative Ruth Pratt, New York

Appendix E

1933

Gardner Cowles, Sr., and Fred C. Croxton, Reconstruction Finance Corporation

Michael Gallagher, president of Pittston Co., Cleveland, Ohio

George Hatfield

Secretary of War Patrick J. Hurley

Secretary of the Treasury Ogden L. Mills

Dinner—Mr. and Mrs. Myron C. Taylor

February 7

Breakfast—Mr. and Mrs. Myron C. Taylor

Cabinet

Austrian Minister, Edgar L. G. Prochnik, to present Margarethe Bach

Mr. Arnold and Josiah T. Rose, Georgia

Mr. and Mrs. G. E. Elwell, Jr., Bloomsburg, Pa.

Arthur J. Edwards

Lunch—Governor Wilbur M. Brucker of Michigan

Harvey S. Firestone, tire manufacturer

Frank E. Gannett

Arthur A. Ballantine, Under Secretary of the Treasury

Dinner—Vice President Charles Curtis
Mr. and Mrs. Warren C. Fairbanks

February 8

Breakfast—Mark Sullivan, Mr. and Mrs. Warren C. Fairbanks, and Governor and Mrs. Wilbur M. Brucker

E. W. Kemmerer, Princeton, N.J.

Representative Sol Bloom

Louis J. Taber, National Grange

Lt. Governor Murphree, Mississippi

Representative Robert G. Simmons, Nebraska

Washington Correspondents

Representative Charles A. Eaton, New Jersey

W. Lee Marshall, chairman of the Continental Baking Corporation

Leo S. Rowe, Director General of the Pan American Union

Representative Arthur M. Free and Edgar Rickard, Santa Barbara, Calif.

Egyptian Minister, Sesostri Sidarouss Pasha, on departure

Judge Williams

Chester I. Long, former Senator of Kansas, Miss Long, and Mr. Best

Lola M. Williams, Secretary to the Vice President

Common Brick Manufacturers Association of America, convention delegates

Lunch—Secretary of State Henry L. Stimson

Franklin W. Fort, Chairman of the Federal Home Loan Bank Board

Secretary of Agriculture Arthur M. Hyde

Herbert Kaufman

J. Clawson Roop, Director of the Budget

February 9

Breakfast—Mark Sullivan and Walter E. Hope

Senator David A. Reed, Pennsylvania

Porter James McCumber, former Senator of North Dakota

Robert P. Lamont, former Secretary of Commerce

Appendix E

1933

Representative Robert F. Rich, Pennsylvania

Earl Oliver, American Institute of Mining and Metallurgical Engineers

Mrs. Esser and Miss Stiles

Mr. Sebring

W. B. Causey, assistant commissioner of the Century of Progress Exposition

Dudley Field Malone

Gail Carter, Nebraska

I. S. W. Ryding, Honon, China

Charles A. Miller, President of the Reconstruction Finance Corporation

Charles E. Hatfield, Massachusetts

J. Clawson Roon, Director of the Budget

Secretary of the Treasury Ogden L. Mills, Senator James Couzens, Senator Arthur H. Vandenberg, and Charles A. Miller

Secretary of Commerce Roy D. Chapin

Secretary of the Treasury Ogden L. Mills and Under Secretary of the Treasury Arthur A. Ballantine

February 10

Representative William R. Wood

Representative Bertrand H. Snell, House minority leader

Cabinet

Representatives William R. Coyle and John C. Schafer

Frank T. Hines, Administrator of Veterans' Affairs

Mrs. Paul Fitzsimmons, Rhode Island Republican national committeewoman

Lunch—Dr. and Mrs. Vernon L. Kellogg

Daniel A. Poling, president of the World Christian Endeavor Alliance

Secretary of the Treasury Ogden L. Mills

Dinner—Representative Frederick M. Davenport, Representative and Mrs. James M. Beck, Mrs. W. Hallam Tuck, Gen. Douglas MacArthur, and Col. Campbell B. Hodges

Radio remarks delivered from Cabinet Room dedicating a new building of station WCAU, Philadelphia, Pa.

February 11

Breakfast—Secretary of the Treasury Ogden L. Mills, Charles A. Miller, Alfred P. Sloan, and Walter P. Chrysler

Senator Frederic C. Walcott

Senator Arthur H. Vandenberg

Thomas D. Thacher, Solicitor General

Joseph E. Ransdell, former Senator of Louisiana

Dr. Joel T. Boone

Mr. and Mrs. Russell E. Dill, New York Junior Citizens School Attendance League of Philadelphia, representatives

Edward E. Hunt, Secretary of the President's Committee on Recent Economic Changes

Lunch—Henry M. Robinson, Los Angeles banker

Northeast High School of Philadelphia, Pa., student body to present President a loving cup in recognition of his service to humanity in Belgium and his leadership in America through the post-war period

Appendix E

1933

Dinner—Diplomatic Corps

February 12

Attended Lincoln Memorial services at New York Avenue Presbyterian Church

Lunch—Mr. and Mrs. Charles C. Teague

Secretary of the Treasury Ogden L. Mills and Charles A. Miller, President of the Reconstruction Finance Corporation

Dinner—Senator and Mrs. James E. Watson, and Representative and Mrs. Frank Crowther

February 13

Breakfast—Mark Sullivan, journalist
J. Clawson Roop, Director of the Budget
Atlee Pomerene, Chairman of the Reconstruction Finance Corporation

Postmaster General Walter F. Brown
Secretary of the Treasury Ogden L. Mills

Eugene Meyer, Governor of the Federal Reserve Board

Departed for New York to address the annual Lincoln Day dinner at the Waldorf-Astoria Hotel

February 14

Returned from New York City

Julius Klein, Assistant Secretary of Commerce

Secretary of the Treasury Ogden L. Mills

George L. Harrison, Governor of the Federal Reserve Bank of New York

Cabinet

Paul Block, newspaper publisher

Arch W. Shaw, Chairman of the President's Economic Research Committee

Lunch—Arch W. Shaw and Henry M. Robinson

Senator Joseph T. Robinson, Arkansas

Dinner—Supreme Court

Mr. and Mrs. Carl Hanna

February 15

Breakfast—Mark Sullivan and Mr. and Mrs. Carl Hanna

Secretary of the Treasury Ogden L. Mills

Mark Sullivan, journalist

Marie M. Meloney, New York Herald Tribune

Ogden Reid

Franklin Menges, Pennsylvania

Everett Sanders, chairman of the Republican National Committee

Senator Arthur Capper and Mrs. Brown
Presentation of the Better Homes Medal to R. Barry Wills of Brookline, Mass.

Mr. Titus

Jacob A. O. Preus, former Governor of Minnesota

Paul Wooten, New Orleans Times-Picayune

Arch W. Shaw, Chairman of the President's Economic Research Committee

Attorney General William D. Mitchell

Nathan W. MacChesney

James R. Garfield

James H. Rand, Jr., president of Remington Rand Co.

Secretary of Agriculture Arthur M. Hyde

Appendix E

1933

February 16

Representative Bertrand H. Snell
Secretary of the Treasury Ogden L. Mills
Mr. Taylor, Commerce
Secretary of the Interior Ray Lyman Wilbur
Representative Menalcus Lankford, Virginia
British Charge d'Affaires, F. D. G. Osborne, to present Maulana Shaukat Ali of India
Mrs. Harry E. Thomas, Wisconsin Republican national committeewoman
Distinguished Flying Cross awarded posthumously to Col. Nathan D. Ely, accepted by his son, Eugene B. Ely
Secretary of War Patrick J. Hurley
Charles G. Dawes, former United States Ambassador to Great Britain
Secretary of the Treasury Ogden L. Mills and Eugene Meyer, Governor of the Federal Reserve Board
J. Clawson Roop, Director of the Budget
Secretary of Labor Roy D. Chapin

February 17

Breakfast—Mark Sullivan, journalist
Cabinet
H. V. Kaltenborn, Columbia Broadcasting System
Representative Oscar DePriest
Representative Walter G. Andrews and V. E. O'Grady, Assistant Collector of Internal Revenue at Buffalo, N.Y.
Wallace Williams, Maryland
J. Leo Kolb
Mr. Mullendohr

Lunch—Mr. and Mrs. John Spargo and Howard Heinz
Representatives Robert Luce, Harry B. Steagall, Guy E. Campbell, and James G. Strong
Washington Correspondents
Secretary of the Treasury Ogden L. Mills
Senator George H. Moses

February 18

Breakfast—Mark Sullivan, journalist
Mr. Taylor, Commerce
James S. Stone, Chairman of the Federal Farm Board
Rear Admiral Gerhardt
Samuel R. McKelvie, former member of the Federal Farm Board
Louis B. Hanna, former Governor of North Dakota
H. A. Budreau
Secretary of the Treasury Ogden L. Mills
Dinner—Mrs. George Cameron, Mrs. Edgar Rickard, Mr. and Mrs. Graham Hoyt, and Dr. and Mrs. R. Maynard Marshall
Senate-House reception

February 19

Postmaster General Walter F. Brown
Lunch—Dr. and Mrs. R. Maynard Marshall, Mr. and Mrs. Graham Hoyt, Mrs. Edgar Rickard, Col. and Mrs. Raymond Robins, Mr. and Mrs. Charles J. Sprague, and Mr. and Mrs. Cuthbert Scott
Senator Frederic C. Walcott

Appendix E

1933

February 20

Breakfast—Mark Sullivan and Mr. and Mrs. Raymond Robins
Senator George H. Moses
Harvey C. Couch, Reconstruction Finance Corporation
George Washington Bicentennial Commission
Carl W. Jones, publisher of Minneapolis (Minn.) Journal
Secretary of the Treasury Ogden L. Mills
Grand Masters of Masons
Frederick M. Feiker, Associated Business Papers, New York, N. Y.
Frederick J. Haskins
James L. Fieser, American National Red Cross
Mr. and Mrs. Alfred Fairbanks, St. Louis, Mo.
Robert H. Lucas, former Commissioner of Internal Revenue
Joseph C. Green, State Department
Lunch—Mr. and Mrs. Will Hays and Mr. and Mrs. O. O. McIntyre
National Archives Building, cornerstone laying
Senator Robert D. Carey, Wyoming
Edward T. Clark, former Secretary to President Coolidge
Secretary of State Henry L. Stimson
Senator David A. Reed, Pennsylvania
John Callan O'Laughlin

February 21

Secretary of the Treasury Ogden L. Mills
Cabinet

Glassboro Republican Club, New Jersey
Carmi A. Thompson
Secretary of Agriculture Arthur M. Hyde
J. Reuben Clark, Jr., United States Ambassador to Mexico
Mrs. Seth Richardson and daughter
Mr. and Mrs. Joseph Lockett, Boston, Mass.
G. M. Hoover, Thomasville, N.C.
Lunch—Henry M. Robinson, Los Angeles banker
Mexican Ambassador, Fernando Gonzalez Roa, to present letters of credence
William R. Castle, Jr., Under Secretary of State, and brother, Alfred L. Castle, Honolulu, Hawaii
James West
Mark Sullivan, journalist
Speaker's Dinner

February 22

Secretary of the Treasury Ogden L. Mills
Representative Sol Bloom
Henry J. Haskell, editor of the Kansas City Star
J. Leonard Replogle
Franklin W. Fort, Chairman of the Federal Home Loan Bank Board
George A. Hastings
Midshipman Walter H. Newton
Lunch—Mr. and Mrs. Cleveland A. Newton and Mr. and Mrs. A. G. Stifel
Thomas F. Healey, Philadelphia Public Ledger

Appendix E

1933

February 23

Frank Page and Sosthenes Behn
Representatives Carl E. Mapes and
Joseph L. Hooper, Michigan
Representative Charles L. Underhill,
Massachusetts
John William Hamilton, chancellor
emeritus of American University
E. Bertram Mott, chairman of the New
Jersey State Republican Committee
British Ambassador, Sir Ronald Lind-
say, to present Sir Francis Wylie, di-
rector of the Rhoads Scholarship
Trust Fund
Clarence Hettrick, mayor of Asbury
Park, N.J.
Lunch—Dr. and Mrs. Marx and Janet
Richards
Department of Justice Building, corner-
stone laying
J. Clawson Roop, Director of the Budget
Dinner—Mayflower Hotel, Little Cab-
inet

February 24

Breakfast—Mark Sullivan, journalist
Harvey C. Couch, Reconstruction Fi-
nance Corporation, and William J.
Vereen
Julius Klein, Assistant Secretary of
Commerce
G. Aaron Youngquist, Assistant Attor-
ney General
Rentfro B. Creager, Texas Republican
national committeeman
Cabinet
Mr. and Mrs. Harry T. Phoebus,
Maryland

Representative Philip D. Swing and Mr.
and Mrs. Burnham
Samuel E. Winslow, Chairman of the
United States Board of Mediation
Mr. and Mrs. Chappel
Mrs. Bayard Tuckerman and Mrs. War-
ren, Boston, Mass.
Helen Kracke
Lenna L. Yost, director of the women's
division of the Republican National
Committee
Chinese Minister, Saoke Alfred Sze, to
present letters of credence
Howard M. Gore, former Governor of
West Virginia
Secretary of the Treasury Ogden L.
Mills
Washington Correspondents
Dinner—Postmaster General Walter F.
Brown

February 25

Breakfast—Walter E. Hope, former As-
sistant Secretary of the Treasury
Frederick H. Payne, Assistant Secretary
of War
Secretary of War Patrick J. Hurley
Everett Sanders, chairman of the Repub-
lican National Committee
Secretary of Labor William N. Doak
George Akerson, former Secretary to the
President
Frederick E. Murphy
Thomas D. Thacher, Solicitor General
Fielding Yost
Mr. Hilt
Mr. and Mrs. Sawyer
Lt. Col. Joseph I. McMullen
George Stewart, Philadelphia, Pa.

Appendix E

1933

Postmaster General Walter F. Brown
Walter E. Hope, former Assistant Secretary of the Treasury
Secretary of the Treasury Ogden L. Mills
Secretary of State Henry L. Stimson and Assistant Secretary of State James G. Rogers
Charles A. Miller, President of the Reconstruction Finance Corporation
Eugene Meyer, Governor of the Federal Reserve Board
Army-Navy Departmental Reception

February 26

Harley L. Clarke
Postmaster General Walter F. Brown
Lunch—Mrs. Derby, Miss Derby, Mr. and Mrs. E. Fred Cullen, and Miss Mickolay
Harley L. Clarke
Secretary of Commerce Roy D. Chapin
Dinner—Cabinet
Arthur A. Ballantine, Under Secretary of the Treasury

February 27

Michael Gallagher, president of Pittston Co., Cleveland, Ohio
Senators Jesse H. Metcalf, Frederic C. Walcott, and Felix Hebert
Senator Thomas D. Schall
Mrs. Preston Davie, New York
Mrs. Sawyer and Mrs. Jennings
Gardner Poole, Boston, Mass., and Mr. O'Malley
John Poole, president of the Federal American National Bank and Trust Co. of Washington, D. C.

Mrs. Preston Davie, New York
Siamese Minister, Phya Subarn Sompati, on departure
Richard H. Aishton, president of the American Railway Association
A. C. Backus
Alexander D. Noyes, New York Times
Mrs. Guy Gannett, Maine
Charles Schribner
Gen. James F. McKinley
Clifford Berryman and Mrs. Baum
Senators Robert D. Carey, Frederick Steiwer, and John Thomas, and Representatives Edward T. Taylor, Don B. Colton, and Burton L. French
J. Clawson Roop, Director of the Budget
Senator Reed Smoot
Republican National Committee, members of the executive committee
Harrison E. Spangler
Dinner—Mr. and Mrs. William Hard

February 28

Breakfast—Mark Sullivan, journalist
Secretary of the Treasury Ogden L. Mills
Senator Claude A. Swanson
Michael Gallagher, president of Pittston Co., Cleveland, Ohio
Cabinet
B. J. Grigsby, Grigsby-Grunow Co.
William R. Castle, Jr., Under Secretary of State and three grandchildren
Medal of Honor to Ensign Henry Clay Drexler, USN, posthumously, presented to father Louis A. Drexler, Dover, Del.
Marcel Garsaud, former member of the Federal Power Commission

Appendix E

1933

Senators Daniel O. Hastings and John G. Townsend, Jr.
Franklin W. Fort, Chairman of the Federal Home Loan Bank Board
Eugene Meyer, Governor of the Federal Reserve Board
Secretary of the Treasury Ogden L. Mills
Dinner—Mr. and Mrs. Mark Sullivan

March 1

Breakfast—Mark Sullivan, journalist
Secretary of the Treasury Ogden L. Mills
Arthur A. Ballantine, Under Secretary of the Treasury
Senator Henry D. Hatfield and Representative Carl G. Bachmann
Eugene Meyer, Governor of the Federal Reserve Board
Adolph C. Miller, Federal Reserve Board
Senator Otis F. Glenn
Representative Edith Nourse Rogers
Mr. and Mrs. F. G. Awalt
William J. Vereen
Hugh S. Cumming, Surgeon General of the Public Health Service
Senator Hamilton F. Kean, New Jersey
J. William Ditter, Ambler, Pa.
George Otis Smith and Claude L. Draper, Federal Power Commission
Captain Bates and Dr. Joel T. Boone
Commissioner Clark
Malcolm Muir, president of McGraw-Hill Co.
Representative Robert A. Green
Maine congressional delegation
Federal Farm Board members

Lenna L. Yost, director of the women's division of the Republican National Committee
Robert H. Angell, Virginia State Republican chairman
Secretary of War Patrick J. Hurley and Gen. Douglas MacArthur
Representative Adam M. Wyant
Thomas E. Campbell, President of the Civil Service Commission
Turner Catledge
Lunch—Senator George H. Moses and Frank Knox, Chicago Daily News
Senator David A. Reed
Raymond Benjamin, assistant chairman of the Republican National Committee
James R. Garfield, former Secretary of the Interior
Frank R. McNinch, Federal Power Commission
Dinner—Mr. and Mrs. Edward E. Gann, Senator and Mrs. Charles L. McNary, Mrs. Sidney Coleman, and Mrs. Vernon L. Kellogg
Arthur A. Ballantine, Under Secretary of the Treasury

March 2

Breakfast—Secretary of the Treasury Ogden L. Mills, Under Secretary of the Treasury Arthur A. Ballantine, and Mark Sullivan
Postmaster General Walter F. Brown
Senator Arthur Capper
Representative William R. Wood
Senator W. Warren Barbour and Representative Edith Nourse Rogers
Mark Sullivan

Appendix E

1933

Frank H. Hitchcock, former Postmaster General	James R. Garfield, former Secretary of the Interior
Representatives Cyrenus Cole and C. William Ramseyer, Iowa	Secretary of the Treasury Ogden L. Mills
John Q. Tilson, former Representative of Connecticut	Cabinet
Representative William R. Eaton, Colorado	Seth W. Richardson, Assistant Attorney General
John Callan O'Laughlin	Franklin W. Fort, Chairman of the Federal Home Loan Bank Board
O. P. Gascoigne, Chesapeake and Potomac Telephone Co.	Senator Frederic C. Walcott and Mrs. Carey
Senator Ellison D. Smith, South Carolina	Mrs. William D. Mitchell
Charles S. Deneen, former Senator of Illinois	Mr. Miller and Mr. and Mrs. McCarthy
Mrs. Charles H. Tuttle	Jonathan W. Wainwright, former Representative of New York
Richard B. Keech	H. Paul Bestor, Farm Loan Commissioner, and Mr. Davis
Charles Patton Craig, executive director of the Great Lakes-St. Lawrence Tidewater Association	Mr. Scharf, Indiana
Judge McMann	Charles W. Tobey and sons, New Hampshire
Herman Lepgold, Milwaukee	John Thomas Taylor, American Legion
Mrs. Eugene Meyer	Atlee Pomerene, Chairman of the Reconstruction Finance Corporation
Secretary of Agriculture Arthur M. Hyde	Little Cabinet
J. Clawson Roop, Director of the Budget	Ernest I. Lewis, Interstate Commerce Commission
Charles Evans Hughes, Chief Justice of the Supreme Court of the United States	Duncan Lawrence Groner, Judge of the U.S. Court of Appeals, Washington, D.C.
Secretary of the Interior Ray Lyman Wilbur	Lunch—Mr. and Mrs. Lewis L. Strauss and son
Senator Arthur H. Vandenberg	Senators Joseph T. Robinson, Arkansas, and Carter Glass
Secretary of State Henry L. Stimson	Representative James S. Parker, New York
W. E. Carson, Virginia	Secretary of the Treasury Ogden L. Mills
Dinner—Senator David A. Reed	Secretary of Agriculture Arthur M. Hyde
<i>March 3</i>	
Breakfast—Mark Sullivan, journalist	
Representative Bertrand H. Snell	

Appendix E

1933

Washington Correspondents

President-elect and Mrs. Franklin Delano Roosevelt and Mr. and Mrs. James Roosevelt

Secretary of the Treasury Ogden L. Mills, Federal Reserve Board Governor Eugene Meyer, Raymond Moley

Dinner—Mark Sullivan

March 4

Harvey C. Couch, Reconstruction Finance Corporation

J. Clawson Roop, Director of the Budget Employees of the White House

Departed for Capitol, accompanied by President-elect Franklin Delano Roosevelt

Appendix F—Radio Addresses by the President

NOTE: This appendix lists addresses and remarks by the President from 1929 to 1933 which were broadcast by radio either locally or nationally.

<i>Date</i>	<i>Subject</i>
<i>1929</i>	
Mar. 4	Inaugural Address
Apr. 22	Associated Press Address on Law Enforcement and Respect for the Law.
Apr. 25	Address to the American Institute of Architects on the Improvement of the National Capital.
Sept. 18	Address to the Nation on Peace Efforts and Arms Reduction.
Oct. 21	Address on the 50th Anniversary of Thomas Edison's Invention of the Incandescent Electric Lamp.
Oct. 23	Address at Louisville, Kentucky Celebrating Completion of the Ohio River Improvement Project.
Nov. 11	Armistice Day Address.
Dec. 5	Remarks to a Chamber of Commerce Conference on Mobilization of Business and Industry for Economic Stabilization.
Dec. 24	Christmas Greeting to the Nation.
<i>1930</i>	
Feb. 5	Remarks to a Group of Community Chest Workers.
Mar. 10	Address Commemorating the 20th Anniversary of the Boy Scouts of America.
Mar. 19	Remarks at the Dedication of the Red Cross Chapter House.
Apr. 8	Remarks at a Ceremony Honoring Dr. William Henry Welch.

Appendix F

<i>Date</i>	<i>Subject</i>
<i>1930</i>	
Apr. 22	Remarks on Unveiling of the Statue of the Pioneer Woman.
May 5	Address to the American National Red Cross.
May 30	Memorial Day Address at Gettysburg Battlefield.
June 14	Remarks Welcoming President-elect Julio Prestes of Brazil.
June 30	Address to the Governors' Conference at Salt Lake City, Utah.
Sept. 8	Remarks Welcoming Captain Dieudonne Costes and Lieutenant Maurice Bellonte.
Oct. 6	Address to the American Legion in Boston, Mass.
Oct. 7	Address on the 150th Anniversary of the Battle of Kings Mountain.
Oct. 27	Remarks on the Deposit of the Instruments of Ratification of the Treaty for the Limitation and Reduction of Naval Armament.
Nov. 8	Remarks to the H.J. Heinz International Radio Banquet.
Nov. 10	Address to the Association of National Advertisers.
Dec. 1	Address to Members of the 4-H Clubs.
Dec. 24	Christmas Greeting to the Nation.
<i>1931</i>	
Jan. 22	Address on the Drought Relief Campaign of the American National Red Cross.
Feb. 12	Address on Lincoln's Birthday.
Apr. 13	Address to the Annual Convention of the American National Red Cross.
Apr. 13	Remarks to the National Recreation Association.
Apr. 14	Address to the Pan American Union.

Appendix F

<i>Date</i>	<i>Subject</i>
1931	
Apr. 14	Address on the 50th Anniversary of the Founding of Tuskegee Institute.
May 21	Address to the American National Red Cross.
May 22	Remarks Introducing Dr. Robert A. Millikan to the National Advisory Council on Radio in Education.
May 23	Remarks Dedicating the Cornell University War Memorial.
May 30	Memorial Day Address at Valley Forge, Pa.
June 15	Address to the Indiana Republican Editorial Association at Indianapolis.
June 17	Address at Lincoln's Tomb in Springfield, Ill.
July 16	Address to the Convention of the International Christian Endeavor Society.
Aug. 8	Address to the World's Conference of the Young Men's Christian Association.
Sept. 9	Address on the 50th Anniversary of the First Red Cross Chapter House.
Sept. 21	Address to the American Legion at Detroit, Mich.
Sept. 30	Remarks on the Opening of the Waldorf-Astoria Hotel.
Oct. 8	Address to the Fourth Pan American Commercial Conference.
Oct. 12	Remarks to the Annual Convention of the International Association of Chiefs of Police.
Oct. 18	Address to the Nation on Unemployment Relief.
Oct. 19	Address on the 150th Anniversary of the Surrender of General Cornwallis at Yorktown, Va.
Oct. 25	Remarks to the Methodist Ecumenical Congress.

Appendix F

Date

Subject

1931

Oct. 26 Remarks to the Annual Convention of the National Association of Broadcasters.

Nov. 11 Armistice Day Address at the Dedication of the District of Columbia War Memorial.

Nov. 14 Remarks Endorsing Liberal Arts Colleges.

Dec. 2 Address to the White House Conference on Home Building and Home Ownership.

Dec. 24 Christmas Greeting to the Nation.

1932

Feb. 12 Address on Lincoln's Birthday.

Mar. 6 Address on the Hoarding of Currency.

Aug. 11 Address Accepting the Republican Presidential Nomination.

Sept. 29 Address to the Women's Conference on Current Problems.

Oct. 4 Address at the Coliseum in Des Moines, Iowa.

Oct. 7 Address to the Women of America.

Oct. 15 Address in Cleveland, Ohio.

Oct. 16 Address to the Nation on the Campaign for Community Friends of Relief.

Oct. 22 Address in Detroit, Mich.

Oct. 28 Address in Indianapolis, Ind.

Oct. 31 Address at Madison Square Garden in New York City.

Nov. 2 Address to the California Society of Washington, D.C.

Nov. 4 Address in St. Louis, Mo.

Appendix F

<i>Date</i>	<i>Subject</i>
<i>1932</i>	
Nov. 5	Address in St. Paul, Minn.
Nov. 7	Address to the Nation from Elko, Nev.
Nov. 25	Remarks on the Christmas Seals Campaign of the National Tuberculosis Association.
<i>1933</i>	
Feb. 10	Remarks on the Dedication of the New WCAU Radio Building in Philadelphia, Pa.
Feb. 13	Address at the Lincoln Day Dinner in New York City.

Appendix G—Rules Governing This Publication

[Reprinted from the Federal Register, vol. 37, p. 23607, dated November 4, 1972 and title 1 of the Code of Federal Regulations]

TITLE I—GENERAL PROVISIONS

Chapter 1—Administrative Committee of the Federal Register

PART 10—PRESIDENTIAL PAPERS

SUBPART A—ANNUAL VOLUMES

Sec.

- 10.1 Publication required.
- 10.2 Coverage of prior years.
- 10.3 Scope and sources.
- 10.4 Format, indexes, and ancillaries.
- 10.5 Distribution to Government agencies.
- 10.6 Extra copies.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709, 3 CFR 1954–1958 Comp. p. 189.

SUBPART A—ANNUAL VOLUMES

§ 10.1 *Publication required.*

The Director of the Federal Register shall publish, at the end of each calendar year, a special edition of the FEDERAL REGISTER called the “Public Papers of the Presidents of the United States.” Unless the amount of material requires otherwise, each volume shall cover one calendar year.

§ 10.2 *Coverage of prior years.*

After consulting with the National Historical Publications Commission on the need therefor, the Administrative Committee may authorize the publication of volumes of papers of the Presidents covering specified years before 1957.

§ 10.3 *Scope and sources.*

(a) The basic text of each volume shall consist of oral statements by the President or of writings subscribed by him, and selected from—

- (1) Communications to the Congress;

Appendix G

- (2) Public addresses;
 - (3) Transcripts of news conferences;
 - (4) Public letters;
 - (5) Messages to heads of State;
 - (6) Statements released on miscellaneous subjects; and
 - (7) Formal executive documents promulgated in accordance with law.
- (b) In general, ancillary text, notes, and tables shall be derived from official sources.

§ 10.4 Format, indexes, and ancillaries.

- (a) Each annual volume, divided into books whenever appropriate, shall be separately published in the binding and style that the Administrative Committee considers suitable to the dignity of the Office of the President of the United States.
- (b) Each volume shall be appropriately indexed and contain appropriate ancillary information respecting significant Presidential documents not printed in full text.

§ 10.5 Distribution to Government agencies.

- (a) The Public Papers of the Presidents of the United States shall be distributed to the following, in the quantities indicated, without charge:
- (1) *Members of Congress.* Each Senator and each Member of the House of Representatives is entitled to one copy of each annual volume published during his term of office, upon his written request to the Director of the Federal Register.
 - (2) *Supreme Court.* The Supreme Court is entitled to 12 copies of each annual volume.
 - (3) *Executive agencies.* The head of each executive agency is entitled to one copy of each annual volume upon application to the Director.
- (b) Legislative, judicial, and executive agencies of the Federal Government may obtain copies of the annual volumes, at cost, for official use, by the timely submission of a printing and binding requisition to the Government Printing Office on Standard Form 1.

§ 10.6 Extra copies.

Each request for extra copies of the annual volumes must be addressed to the Superintendent of Documents, to be paid for by the agency or official making the request.

Index

[Main references are to item numbers except as otherwise indicated]

- Abbeville, La., 86
- Abbott, Julia Wade, 145
- Abelman, Max, 355
- Accounting Office, General, 423
- Adams, Charles F., 34
- Adams, Raymond, 369 n.
- Adams, Gov. William H., 5
- Addresses and remarks of the President
 - See also* News conferences
 - American Bar Association, 335
 - American National Red Cross, 121
 - American Public Health Association, 348
 - California and Nevada, rear platform and other informal remarks, 394
 - Cardinal Gibbons, memorial statue, unveiling, 263
 - Christmas seals campaign, 408
 - Conference on the Crisis in Education, 442
 - Conference of Governors, 137
 - Congress
 - Joint session, 56
 - Senate, 186
 - Cornerstone laying ceremonies
 - Justice Department Building, 472
 - Labor Department and Interstate Commerce Building, 427
 - National Archives Building 471
 - Post Office Department Building, 307
- Currency hoarding, 73
- Denver, Colo., 383
- Addresses and remarks of the President—Continued
 - Disabled war veterans, 365
 - Distinguished Flying Cross, presentation ceremony, 247
 - Elections. *See* Elections
 - Federal Reserve District Banking and Industrial Committees, conference, 272
 - Gridiron Club, 120, 424
 - Howard University, 191
 - Interstate Conference of Legislators, 461
 - Joint National Planning Committee to Get Out the Negro Vote, 318
 - Lincoln's Birthday, 46, 465
 - National Education Association, 57
 - New Mexico and Kansas, rear platform remarks, 397
 - Pennsylvania's unemployed, representatives, 7
 - WCAU Radio building, dedication, 463
 - Welfare and Relief Mobilization Conference, remarks, 294
 - Welfare and Relief Mobilization of 1932, address, 338
 - Women's Conference on Current Problems, 311
- Advertising Federation of America, 41 n.
- Advisory Commission on Unemployment Statistics, 135

Index

[Main references are to item numbers except as otherwise indicated]

- Advisory Committee for Aeronautics, National, 422
- Advisory Committee on Education, 135
- Advisory Committee on Illiteracy, 135
- Advisory Committee on Veteran Preference, 135
- Advisory Council of the National Arboretum, 423
- Advisory Shipping Committee, 135
- Aeronautical Association, National, 105
- Aeronautics. *See* Aviation
- Aeronautics, National Advisory Committee for, 422, 423
- Affiliated Better Business Bureaus, 281
- Agricultural credit corporations, 347, 377, 380, 419
- Agriculture and agricultural programs
 - American Farm Bureau Federation, 194
 - Commodities and commodity markets, 186, 187, 208, 209, 221, 251, 259, 264, 267, 295, 322, 347, 377, 380, 449
 - Conference on hoarding of currency, 36
 - Credit, 1, 36, 38, 175, 234, 259, 264, 267, 272, 322, 347, 380, 419
 - Crop production loans, 187, 251, 309, 322, 377
 - Des Moines, Iowa, campaign address, 322
 - Drought relief, 322, 358, 377
 - Farm cooperatives, loans, 259, 371, 377
 - Farms
 - Mortgages, 1, 272, 313, 322, 328, 358, 371, 377, 380
 - Taxation, 137, 259, 292, 322, 377
- Agriculture and agricultural programs—Continued
 - Federal land and intermediate credit banks, 1, 28, 29, 66, 226, 234, 251, 259, 272, 313, 322, 334, 343, 347, 366, 377, 380, 407, 408, 419, 430, 436, 437
 - Federal Reserve District Banking and Industrial Committees, 264, 267, 272, 295
 - Land use, 322, 370, 377, 420, 470
 - Reconstruction Finance Corporation
 - loans, 76, 78, 92, 94, 175, 186, 187, 208, 209, 221, 233, 238, 239, 251, 295, 313, 322, 347, 377, 378, 380, 419
 - Tariffs, 155, 322, 344, 346, 358, 371, 377, 380, 384–388, 457
- Agriculture, Department of
 - Crop production loans, 187, 251, 309
 - Bureau of Biological Survey, 423
 - Bureau of Chemistry and Soils, 423
 - Bureau of Public Roads, 423
 - Executive branch reorganization, 423
 - Farm land use, study, 322
 - Farm products, prices, 322
 - Secretary, 76–78, 92, 186, 251, 264, 309, 313, 380, 449 n., 470
- Aircraft. *See* Aviation
- Akron, Ohio, 336
- Alaska Highway Commission, 135
- Albert, King of the Belgians, 115, 185
- Alexander, Archibald S., 416
- Alexander, Magnus W., 41 n.
- Alexander I, King of Yugoslavia, 430
- Alien Property Custodian, 423
- Allied Forces for Prohibition, 268 n.
- Almon bill, 146 ftm.

Index

[Main references are to item numbers except as otherwise indicated]

- Ambassadors and Ministers, U.S.
 Canada, 273
 Czechoslovakia, 210
 Mexico, 477
 United Kingdom, 3 n., 37–39, 44
American Artists Professional League, 369
American Bankers Association, 41 n.
American Bar Association, 335
American Bible Society, 362
American Braille Press, 478
American Conference of Institutions for the Establishment of International Justice, 141
American Engineering Co., 41n.
American Engineering Council, 41 n.
American Farm Bureau Federation, 194
American Federation of Labor, 41 n., 389, 390
American Hebrew Medal, 406
American Indians, 136, 458
American Institute of Steel Construction, 180 n.
American Iron and Steel Institute, 257 n.
American Jewish Congress, 72
American Jewish Joint Distribution Committee, 98
American Legion
 Bonus loans for veterans, 101, 102, 293
 Crosscup Pishon Post, Boston, Mass., 256
 Employment drive, 38, 40
 Grand Street Boys' Post No. 1025, 51
American Museum of Safety, 179
American National Red Cross, 121, 249, 294, 398
American Palestine Committee, 19
American Peace Society, 141
American Printing House for the Blind, 423
American Public Health Association, 348, 358
American Revolution, Daughters of the, 301
American Revolution, National Society of the Sons of the, 164
American Road Builders Association, 14
American Society of Civil Engineers, 175
American Trade Association Executives, 41 n., 296
American War Mother magazine, 479
Anti-Hoarding Committee. *See* Citizens Reconstruction Organization
Appeals, Court of, 15, 418
Appendix A—Additional White House Releases, p. 1093
Appendix B—Messages to the Congress, p. 1101
Appendix C—Presidential Proclamations and Executive Orders, p. 1117
Appendix D—Presidential Reports to the Congress During 1932–1933, p. 1141
Appendix E—The President's Calendar, p. 1143
Appendix F—Radio Addresses by the President, p. 1275
Appendix G—Rules Governing this Publication, p. 1281
Appointments and nominations
 Commerce Department, Secretary, 257
 Court of Appeals, 7th Circuit, judge, 15, 418

Index

[Main references are to item numbers except as otherwise indicated]

- Appointments and nominations—Con.
General Disarmament Conference,
Chairman, 23, 25
Philippines, Governor General, 11
Reconstruction Finance Corporation,
Board of Directors
Chairman, 23, 24, 243
Directors, 31 n.
President, 23, 24, 31 n., 243 n.
Supreme Court of the United States,
Associate Justice, 16 n.
Treasury Department
Secretary, 38, 39
Under Secretary, 38, 39
United Kingdom, U.S. Ambassador
to, 37
- Appropriations
See also Appendix B
Budget message, 421
Children's Bureau, 358
Deficiency and supplemental appro-
priations, veto of bill, 456
Executive branch, 459, 482
Federal land banks, 29
Fiscal year 1934, reductions, 287, 402,
450–453
General Disarmament Conference,
441
Interior Department, 133
International Monetary and Economic
Conference, 207, 441
President's Organization on Unem-
ployment Relief, 215
Public works, 282, 283
Reconstruction Finance Corporation,
26
River and harbor works, 83
Veterans' Administration, 225
- Arboretum, Advisory Council of the
National, 423
Architect, Office of Supervising, 423
Archives, National, 471
Argentina
Agricultural exports, 385
President Augustin P. Justo, 177
Arias, Harmodio, 373
Arizona, Lincoln's Birthday, message,
45 n.
Arkansas, child health and protection
conference, 5 n.
Arlington Memorial Bridge Commis-
sion, 423
Arlington National Cemetery, 393
Armed Forces, United States
Army Day, 67
Army, troop ratios, 3
Disarmament, 111, 112, 206
Memorial Day, 185
Pay, 119
Shanghai, China, International Settle-
ment, deployment of troops, 34
Tomb of the Unknown Soldier, ded-
ication ceremonies, 393
Veterans. *See* Veterans
- Armistice Day, 393
Arms and Ammunition and Imple-
ments of War, International Con-
vention for the Suppression of In-
ternational Trade in, 446
Arms and weapons. *See* Disarmament
Army, United States
Bonus marchers, 246, 248–250
Chief of Staff, 206, 246 n.
Office of the Chief of Engineers, 251,
353 n., 423
Army Day, 67
Army-Navy football game, 415

Index

[Main references are to item numbers except as otherwise indicated]

- Army Posts, Committee on Abandoned, 135
Arnold, Wallace Greene, 414
Art, Metropolitan Museum of, 153 n.
Art, Museum of Modern, 153
Art Digest magazine, 369 n.
Artists Professional League, American, 369
Arts, Commission of Fine, 423
Associated Business Papers, Inc., 41 n.
Association for Childhood Education, 145
Association of Life Insurance Presidents, 41 n.
Athens, Ohio, 357
Athletics. *See* Sports
Atlantic Deeper Waterways Association, 352
Austria, intergovernmental debts, 431
Automobiles
 Federal departments and agencies, appropriations, 421
 New car sales, 106, 107
Avery, Sewell L., 264
Aviation
 Collier Trophy, presented to Packard Motor Car Co., 105
 Distinguished Flying Cross, presentations, 247, 252, 266
 National Advisory Committee for Aeronautics, 18th annual report, 422
 National Geographic Society gold medal, presented to Amelia Earhart, 203
 Transatlantic flights, 173, 252, 266
 Wright Brothers National Memorial, 403
Awards and citations
 American Hebrew Medal, presented to Dr. John H. Finley, 406
 Collier Trophy, presented to Packard Motor Car Co., 105
 Congressional Medal of Honor, presented to Comdr. Claude A. Jones, 270
 Distinguished Flying Cross, presentations
 Amelia Earhart, 252
 John Polando and Russell Boardman, 247
 Wiley Post and Harold Gatty, 266
 National Geographic Society gold medal, presented to Amelia Earhart, 203
 Star Pro Juventute, presented to the President by the Catholic Boys' Brigade of the United States, 312
Baba, Eiichiro, 327
Baker, Joseph J., 355 n.
Baker, Newton D., 294
Ballantine, Arthur A., 38, 39, 187
Baltimore, Md., 363
Bankers Association, American, 41 n.
Bankers Association of America, Investment, 41 n.
Banking Co., Federal International, 358
Banking and finance
 Capital, 1, 28, 76, 450
 Credit, 1, 27, 28, 36, 38, 41, 48, 66, 73, 126, 157-159, 161, 169, 170, 175, 187, 208, 209, 217, 221, 230, 233, 251, 259, 264, 267, 272,

Index

[Main references are to item numbers except as otherwise indicated]

- Banking and finance—Continued
 Credit—Continued
 295, 322, 337, 347, 371, 378, 380,
 419, 470
 Currency. *See* Currency
 Depositors, 1, 346, 347, 358
 Farm mortgage relief conference, 313
 Financial institutions
 Agricultural credit corporations,
 347, 377, 380, 419
 Federal Home Loan Bank Board.
 See Federal Home Loan Bank
 Board
 Federal Reserve System. *See* Fed-
 eral Reserve System
 National credit association, 1, 259,
 272, 347, 358, 371, 380
 Private institutions, 76, 78, 82, 86,
 92, 94, 100, 126, 175, 187, 217,
 221, 230, 238, 239, 274, 313,
 321, 322, 328, 337, 366
 Railway Credit Corporation, 76, 78,
 87, 88
 Reconstruction Finance Corpora-
 tion. *See* Reconstruction Fi-
 nance Corporation
 Foreign loans, 358
 Gold standard, 38, 41, 66, 322, 337,
 347, 377, 378, 380, 387, 431, 457,
 465
 Leaders, meeting with the President,
 36 n.
 Life insurance, 12, 358
 Reform, 259, 347, 358, 419
 Silver interests, 269, 343, 387, 388,
 465
 State of the Union message, 419
Bankruptcy Act of 1898, amendments,
 63, 64, 69, 448, 451, 470
Banks, Frank A., 232
Baptist Convention, Southern, 162
Bar Association, American, 335
Bar Association, Federal, 467
Baraboo, Wis., 379
Barbour, Sen. W. Warren, 221
Barnes, Julius, 41 n.
Barton, Arthur James, 162
Baruch, Bernard, 156 n.
Baruch, Emanuel de Marnay, 129
Baseball game, opening, 111
Bastille Day, 229
Battle of the Marne, 280
Battle of Yorktown, 301
Baüsch, Edward, 445
Belgium
 Albert, King of the Belgians, 115,
 185
 Intergovernmental debts, 228 n., 431
 U.S. Ambassador to, 23, 25
Beloit, Wis., 379
Belvidere, Ill., 379
Benevolent and Protective Order of
 Elks of the United States of
 America, 41 n.
Benjamin Franklin Society, Interna-
 tional, 18, 455
Bergquist, C. W., 320
Best, William B., 41 n.
Bestor, H. Paul, 41 n., 187, 234, 251,
 264, 267 ftn.
Bethlehem Steel Corp., 53 n.
Better Business Bureaus, Affiliated, 281
Better Homes Week, 134
Beverly, Gov. James R., 33, 310
Bible Society, American, 362
Bible Sunday, Universal, 362
Biblical Seminary, 176

Index

[Main references are to item numbers except as otherwise indicated]

- Bicentennial of George Washington's birth, 35, 54, 56-58, 122, 142, 174, 181, 194, 196, 262, 335
- Bingham, Sen. Hiram, 154 n.
- Biological Survey, Bureau of, 423
- Bird, Mrs. Michael, 211
- Bishop, James W., 278
- Blacks
 - Emancipation proclamation, anniversary, 438
 - Equal employment opportunity, 354
 - Howard University, commencement address, 191
 - Joint National Planning Committee to Get Out the Negro Vote, 318
 - Mississippi River flood control projects, charges of unfair labor practices, 353
 - National Association for the Advancement of Colored People, 167
- Blind, American Printing House for the, 423
- Blind, Matilda Ziegler Magazine for the, 70
- Blind, New York Association for the, 4
- Block, Paul, 104
- Boardman, Russell, 247
- Bodfish, Morton, 41 n.
- Bogley, Reuben A., 41 n.
- Boissevain, Manitoba, Canada, 227 n.
- Bonfils, Frederick G., 460
- Bonus, veterans, 101, 102, 123, 126, 154, 218, 225, 246, 248-250, 256, 275, 276, 285, 293, 358
- Borah, Sen. William E., 228
- Borden, Albert G., 12
- Borland, James B., 469
- Boulder City, Nev., 394
- Bowman, Celine MacDonald, 71
- Boy Scouts of America, 165, 244
- Boys' Brigade of the United States, Catholic, 312
- Boys Club of America, 178
- Braddock, Pa., 336
- Braille Press, American, 478
- Bratton, Sen. Sam G., 154 n.
- Briand, Aristide, 74
- Broadcasters, National Association of, 412
- Brooklyn and Queens Young Men's Christian Association, 68
- Brotherhood of Locomotive Engineers, 41 n.
- Brotherhood of Railway Trainmen, 41 n.
- Broussard, L. O., 86
- Brown, George William, 362
- Brown, Walter F., 91 n., 119 n., 276
- Brucker, Gov. Wilbur M., 347
- Brush, Graham M., 286
- Budget
 - Deficits, 31, 92, 93, 126, 182, 183, 187, 217, 450, 452, 453, 459
 - County health units, funding, 348
 - Efforts to balance, 1, 9, 10, 31, 50, 76, 77, 92, 93, 101, 102, 106, 109, 126, 127, 137, 146-148, 154, 156, 158, 159, 169, 175, 182, 183, 186, 187, 207-209, 217, 221, 245, 259, 272, 287, 347, 380, 402, 419, 450, 451
 - Governmental reorganization, impact, 59, 76, 77, 79, 198, 199
 - Messages to Congress, 146, 421
 - National economy program. *See* Economy program, national
 - Public debt, 9, 10, 347, 402, 421

Index

[Main references are to item numbers except as otherwise indicated]

- Budget, Bureau of the
 - Director, 26, 29, 83, 109, 119, 154 n., 207, 218 n., 225 n., 287, 289, 290
 - Executive branch reorganization, studies, 289, 290, 423
 - Federal spending, memorandum, 287
- Building and Loan League, United States, 41 n., 274
- Buildings and Public Parks of the National Capital, Office of Public, 423
- Bureau. *See other part of title*
- Burke, James Francis, 258
- Burton, Theodore E., 302
- Business Bureaus, Affiliated Better, 281
- Business and industry
 - American Legion employment drive, 40 n.
 - Bankruptcy legislation, 63, 69, 448, 451, 470
 - Competition, 346, 357
 - Conference on hoarding of currency, 36, 41
 - Construction programs, 14, 157, 175, 221, 337, 380
 - Corporations, jurisdiction based on diversity of citizenship, 69
 - Federal contractors, 213, 353, 354
 - Federal regulation, 328, 335
 - Federal Reserve District Banking and Industrial Committees, 169, 187, 251, 260, 264, 267, 272
 - Patent system, 122
 - Safety, 320
 - Small business, 272
 - State of the Union message, 419
 - Stock exchange, 54, 155, 378
 - Taxation, 137, 186, 419, 421, 450
 - Wage reduction agreements, 337, 358, 360, 380, 388
- Business and industry—Continued
 - Welfare and Relief Mobilization Conference, representatives, 294
 - Work hours, 126, 132, 240, 251, 267, 272, 294, 337, 358, 380, 404, 419
- Business Papers, Inc., Associated, 41 n.
- Business and Professional Women's Clubs, Inc., National Federation of, 41 n., 71
- Business Women's Week, National, 71
- Buterly, George P., 429
- Buttenheim, Harold S., 41 n.
- Byrnes, Sen. James F., 154 n.
- Byrns, Repr. Joseph W., 59 n., 79, 114 n., 451
- Cabinet
 - See also* Appendix E
 - Meeting with the President, 402
 - Salary reductions, 119, 127, 231
- California
 - Child health and protection conference, 5 n.
 - Lincoln's Birthday, message, 45 n.
 - Oil industry, tariffs, 342
 - President's visit, 390, 392, 394
 - 10th Olympiad, 253
- California Débris Commission, 423
- California Society of Washington, D.C., 371
- California Water Commission, 135
- Calles, Leonor Llorente de, 409
- Calvert Associates, 117
- Camp Directors of America, 414
- Campbell, Thomas E., 212, 275, 276
- Canada
 - Great Lakes-St. Lawrence Deep Waterway, 219, 226, 235, 322
 - International Peace Garden, 227
 - Minister to U.S., 235 n., 273

Index

[Main references are to item numbers except as otherwise indicated]

- Canada—Continued
 - Waterton-Glacier International Peace Park, 201
- Canal Board, InterOceanic, 135, 423
- Canton, Miss., 100
- Capitol Park and Planning Commission, National, 423
- Cardozo, Benjamin N., 16 n.
- Carmody, Martin H., 103
- Carr, Claiborn M., Jr., 330
- Carran, Mollie Brown, 314, 321
- Case, Anna, 128
- Case, Everett, 295 n.
- Castle, William R., 34
- Catholic Boys' Brigade of the United States, 312
- Catholic Welfare Association, 41 n.
- Cavert, Samuel McCrea, 41 n.
- Census, Bureau of the, 423
- Cermak, Anton, 466
- Chamber of Commerce, United States Junior, 96
- Chamber of Commerce of Curwensville, Pa., 82
- Chamber of Commerce of the United States, 36, 41 n.
- Chandor, Douglas, 369 n.
- Chaney, Maj. James E., 25 n.
- Chapin, Roy D., 257, 264, 267 ftn., 449 n.
- Charleston, S.C., 135
- Charleston, W. Va., 346
- Chemistry and Soils, Bureau of, 423
- Chenango County, N.Y., Republican Women's Education League, 333
- Chester, Pa., 286, 363
- Chicago World's Fair Centennial Celebration, 135
- Child Feeding Committee, Porto Rico, 433
- Child health and protection, State conferences, 5 n.
- Child Health and Protection, White House Conference on, 135, 171, 184, 259, 311, 312, 328, 380, 383, 441
- Childhood Education, Association for, 145
- Children Fund, International Save the, 447
- Children's Bureau, 358
- Children's Charter, 311
- Chillicothe, Ohio, 346, 357
- China
 - International Settlement at Shanghai, protection of U.S. citizens, 34, 35
 - President Lin Sen, 334
- Christian Association, Young Men's, 22, 41 n., 68, 330
- Christian X, King of Denmark, 308
- Christmas, message to disabled veterans, 432
- Christmas seals campaign, 408
- Christmas Tree Association, Nation's, 436
- Churches of Christ in America, Federal Council of the, 41 n., 420
- Cincinnati, Ohio, 357
- Circleville, Ohio, 346
- Circuit Court of Appeals of the United States, 7th circuit, judge, 15, 418
- Citizens Reconstruction Organization, 38 n., 41, 60, 73, 80, 81, 135
- City Planning, National Conference on, 41 n.
- Civic Service Club Executives, National Association of, 41 n.

Index

[Main references are to item numbers except as otherwise indicated]

- Civil Engineers, American Society of, 175
Civil Service Commission, United States. *See* United States Civil Service Commission
Civitan, International, 41 n.
Clark, Grenville, 245
Clark, J. Reuben, Jr., 477
Clark Sesquicentennial Commission, George Rogers, 423
Clarksburg, W. Va., 360
Cleveland, Ohio, 337
Coal industry, bituminous, 346, 357
Coamo, 433
Coast and Geodetic Survey, 423
Coast Guard, 423
Cobb, James A., 353
Cochran, Repr. John J., 439, 440 n.
Colfax, Calif., 390
Colgate, James C., 61
Colgate University, 61
Colindres, Vicente Mejía, 299
Colleges and universities
 Colgate University, 61
 Cornell University, 184 n.
 Howard University, 191, 423
 Lafayette College, 166
 Princeton University, 151, 202
 Stanford University, 392
 Students, poll on election, 363
 University of Wisconsin, 379
Collier-Harrison bill, 155
Collier Trophy, 105
Colorado
 Conference on Child Health and Protection, 5
 President's visit, 383
Colorado River, 394, 396
Colored People, National Association for the Advancement of, 41 n., 167, 353 n.
Columbia Institution for the Deaf, 423
Columbus, Ohio, 346
Columbus Day, 331
Commerce, Department of
 Assistant Secretary, 41 n.
 Bureau of the Census, 423
 Bureau of Lighthouses, 423
 Bureau of Mines, 423
 Bureau of Navigation and Steamboat Inspection, 423
 Bureau of Standards, 423
 Employment, survey, 240
 Housing construction, survey, 238, 239
 Imports, 237, 349
 Patent Office, relocation, 122
 Railroad reconstruction, conferences, 87
 Recovery efforts, 123
 Reorganization, proposed, 423
 Secretary, 41 n., 122, 251, 257, 264, 267 ftn., 449 n., 462
 Wage rates, comparative survey, 337, 357, 364 n.
Commerce Commission, Interstate. *See* Interstate Commerce Commission
Commercial Organization Secretaries, National Association of, 41 n.
Commission on Conservation and Administration of Public Domain, 135
Commission of Fine Arts, 423
Committee on Abandoned Army Posts, 135
Committee on the Conservation and Administration of the Public Domain, 423

Index

[Main references are to item numbers except as otherwise indicated]

- Committee on Coordination of Veterans Services, 135
- Committees and commissions, use of, 135, 169
- Commodities and commodity markets, 186, 187, 208, 209, 221, 251, 259, 264, 267, 295, 322, 347, 377, 380, 449
- Communications
 - Morse, Samuel F. B., tribute, 163
 - Radiotelegraphic service with Hungary, 254
 - WCAU Radio Building, dedication, 463
- Communists, participation in bonus march, 285
- Community Chests, National Association of, 338
- Community cooperation
 - Anti-hoarding campaign, 36, 38, 41, 71, 73, 80, 81
 - County health units, funding, 348
 - Relief efforts, 85, 157, 186, 215, 337, 347, 351, 358, 366, 380, 383, 398, 419
 - Recovery program, 1, 86, 175, 259, 328, 347, 358
 - Welfare and relief mobilization, 294, 338
- Comptroller of the Currency, 238, 239, 284
- Conference on the Crisis in Education, 442
- Conference of Governors, 137
- Conference of Smaller Industries, 223
- Congress
 - Bicentennial of the birth of George Washington, address to Joint Session, 56
 - Congress—Continued
 - Committees and commissions, Federal, 135
 - Democratic Congressional Policy Committee, 9 ftn., 10 n.
 - Democratic leadership, 123
 - Economy measures, 76, 77, 109, 111, 113, 114, 119, 123–127, 132, 146–148, 154, 347, 440, 450, 453
 - House of Representatives
 - Committees
 - Appropriations, 76, 77, 109, 111, 123, 126, 419, 450, 451, 456 n., 459
 - Expenditures in the Executive Departments, 109, 439, 440 n.
 - Pensions, 138 n., 152 n.
 - Select Committee on Economy, 59 n., 76, 77, 79, 109, 114, 119, 123–127, 146, 419
 - Ways and Means, 76, 77, 123 n., 154, 186, 221 n., 400, 407
 - Minority leader, 157
 - Revocation of certain Executive orders, 453
 - Speaker, 26, 29, 32, 83, 183 n., 217, 225, 293
 - Intergovernmental debts, authority, 407
 - Leaders, meeting with the President, 216
 - Legislative action, 317, 322, 328, 337, 346, 347, 358, 363, 366, 371, 378, 380, 387, 388, 439, 440
 - Members, meetings with the President, 230, 400
 - Salary reductions, 119

Index

[Main references are to item numbers except as otherwise indicated]

Congress—Continued

Senate

Address by the President, 186

Committees

Appropriations, 109, 111, 126,
154, 186

Banking and Commerce, 157 n.

Economy, 154 n., 199

Expenditures in the Executive
Departments, 234

Finance, 186, 400, 407

Foreign Relations, 228

Indian Affairs, 136 n.

Military Affairs, 65 n.

Minority leader, 156, 157

President, 207

Republican leadership, 154 ftn.

Congress, communications to

See also Veto messages; Appendix B;
Appendix D

Bankruptcy legislation, message, 448

Budget messages, 146, 421

Coolidge, Calvin, message on death,
443

Economic recovery program, mes-
sages, 1, 470

Executive branch reorganization, mes-
sages, 50, 423

Federal expenditures and revenues,
message, 450

Federal Farm Loan Board policies,
letter to Chairman of Senate
Committee on Expenditures in
the Executive Departments, 234

Federal land banks, appropriations es-
timate, letter to Speaker of the
House, 29

Congress, communications to—Con.

Intergovernmental debts and interna-
tional economic conditions, mes-
sage, 431

International Convention for the Sup-
pression of International Trade
in Arms and Ammunition and
Implements of War, message,
446

Judicial procedure, reform, message,
69

Lausanne agreements, letter to Chair-
man of the Senate Foreign Rela-
tions Committee, 228

National Advisory Committee for
Aeronautics, message transmit-
ting 18th annual report, 422

National economy program

Letters to Chairman of House Se-
lect Committee on Economy,
114, 125

Message, 109

President's Organization on Unem-
ployment Relief, request for spe-
cial appropriation, 215

Procurement of supplies for Federal
departments and agencies, letter
to Speaker of the House, 32

Reconstruction Finance Corporation
Appropriations, letter to Speaker of
the House, 26

Board of Directors, membership,
message, 220

Relief of the families of Emilio Cortez
Rubio and Manuel Gomez, mes-
sage recommending legislation,
214

Index

[Main references are to item numbers except as otherwise indicated]

- Congress, communications to—Con.
River and harbor works, appropriations, letter to Speaker of the House, 83
State of the Union message, 419
Veterans' Administration, appropriations, letters to the Speaker of the House, 218, 225
World economic conference, appropriations, letter to President of the Senate, 207
Congressional Medal of Honor, 270
Connally, Sen. Tom, 186
Connellsville, Pa., 336, 375
Connersville, Ind., 357
Conservation, 50, 259
Conservation and Administration of the Public Domain, Commission on the, 135, 423
Conservation Board, Federal Oil, 423
Conservation Board, Timber, 135
Construction Act of 1932, Emergency Relief and, 182, 183, 186, 208, 209, 216, 217, 220 n., 221, 230, 233, 243 n., 282, 283, 421
Construction industry, 14, 187, 238, 239, 251
Cooksey, G. R., 230 n.
Coolidge, Calvin, 347, 443, 444
Cornell University, 184 n.
Cortelyou, George B., 179, 228
Cortez Rubio, Emilio, 214
Cortez Rubio, Salvatore, 214 n.
Costa, Philides, 369 n.
Costa Rica, President Ricardo Jiménez, 297
Cotton, crop production loans, 309 n.
Cotton Textile Institute, 341
Couch, Harvey C., 31 n., 41 n., 187
Council of National Defense, 169, 192, 322
Council of Personnel Administration, 135, 212
Courts, United States
Bankruptcy reform legislation, 63, 64, 69, 448, 451, 470
Court of appeals, 7th circuit, judge, 15, 418
Grand jury, 285
Judicial procedure, reform, 63, 64, 69, 475
Juvenile delinquents, transfer of jurisdiction from Federal courts, 193
Supreme Court of the District of Columbia, 250 n.
Supreme Court of the United States.
See Supreme Court of the United States
Cowles, Gardner, Sr., 208
Cox, Albert L., 192
Cox, James R., 7 n.
Crabtree, J. W., 41 n.
Credit. *See under* Banking and finance
Credit association, national, 1, 259, 272, 347, 358, 371, 380
Credit Association, National Retail, 41 n.
Credit Corporation, Railway, 76, 78, 87, 88
Credit corporations, agricultural, 347, 377, 380, 419
Credit Men, National Association of, 41 n.
Crime. *See* Law enforcement and crime
Crocker, Herbert S., 175

Index

[Main references are to item numbers except as otherwise indicated]

- Cromwell, William Nelson, 478
- Crosby, Herbert B., 246 n.
- Crosscup Pishon Post, American Legion, 256
- Cuba
 - President Gerardo Machado y Morales, 172
 - Sugar exports, tariff, 387
- Cumberland, Md., 336
- Cumming, Hugh S., 2 n.
- Cunningham, Edwin S., 34
- Currency, Comptroller of the, 238, 239, 284
- Currency
 - Foreign, depreciation, 349, 357, 360, 363, 364, 371, 377, 379, 380, 386, 387, 431, 457, 462, 465
 - Gold standard, 38, 41, 66, 322, 337, 347, 377, 378, 380, 387, 431, 457, 465
 - Hoarding, 36, 38, 41, 48, 49, 60, 66, 71, 73, 80, 81, 119, 126, 272, 322, 419
 - Inflation, 31, 217, 221, 238, 259, 293, 322, 358, 363, 364, 366, 371, 378, 419
 - Silver, 269, 343, 387, 388, 465
 - Stabilization, 186, 457, 465
- Current Problems, Women's Conference on, 311
- Curtis, Vice President Charles, 197 n., 252 n., 253 n.
- Curwensville, Pa., 82
- Customs, Bureau of, 237, 423
- Customs taxes, 450
- Cutten, George B., 41 n.
- Cutting, Sen. Bronson, 366
- Czechoslovakia
 - Intergovernmental debts, 431
 - President Thomas G. Masaryk, 359
 - U.S. Minister to, 210
- Daily News of St. Thomas, 426
- Daily Princetonian, 202
- Dale, J. Thomas, 82
- Daughters of the American Revolution, 301
- Davenport, Iowa, 321
- Davis, Dwight F., 11
- Davis, Norman H., 3 n., 25 n., 111, 112, 454
- Dawes, Charles G., 3 n., 23-25, 31 n., 36, 41, 73 n., 187, 189, 378
- Days of observance
 - Armistice Day, 393
 - Army Day, 67
 - Bastille Day, 229
 - Better Homes Week, 134
 - Bicentennial of George Washington's birth, 56
 - Birthday messages
 - Albert, King of the Belgians, 115
 - Alexander I, King of Yugoslavia, 430
 - Fuad I, King of Egypt, 97
 - Haile Selassie I, Emperor of Ethiopia, 241
 - Hirohito, Emperor of Japan, 139
 - Holmes, Oliver Wendell, 75
 - Markham, Edwin, 131
 - Schwab, Charles M., 53
 - Sprague, Frank Julian, 242
 - Columbus Day, 331
 - Emancipation proclamation, anniversary, 438

Index

[Main references are to item numbers except as otherwise indicated]

- Days of observance—Continued
- Flag Day, 196
- Independence days
 - Argentina, 177
 - China, 334
 - Costa Rica, 297
 - Cuba, 172
 - Czechoslovakia, 359
 - Finland, 417
 - Greece, 95
 - Guatemala, 300
 - Honduras, 299
 - Nicaragua, 298
 - Panama, 373
 - Poland, 144
 - Turkey, 361
- Life Insurance Day, 12
- Lincoln's Birthday, 45, 46
- Luther Day, 262
- Memorial Day, 185
- National Business Women's Week, 71
- National Hospital Day, 140
- National Pharmacy Week, 329
- National Thrift Week, 21
- Navy Day, 356
- Parents' Day, 118
- Rosh Hashanah, 303
- Universal Bible Sunday, 362
- Dayton, George D., 264
- Deaf, Columbia Institution for the, 423
- De Coe, Darold D., 41 n.
- Defense, Council of National, 169, 192, 322
- Defense, national. *See* National defense and security
- Delafield, John R., 67
- de Laszlo, Philip, 369 n.
- Delaware
 - Child health and protection conference, 5 n.
 - President's campaign, 363
- Delaware, Ohio, 346
- Democratic Party
 - Legislative record, 317, 322, 328, 337, 347, 357, 358, 363, 366, 371, 376, 377, 378, 380, 387, 388, 452
 - National committee, 337, 358, 366, 378, 380
 - President-elect, 391, 392, 395, 396, 399, 405, 431, 434, 441, 451, 452, 454, 466, 480
 - Presidential candidate, 337, 346, 347, 358, 363, 364, 366, 377-380, 382, 385, 387
 - Vice-Presidential candidate, 293, 322, 337, 347, 358, 363, 366, 378, 380, 387
- Denmark, King Christian X, 308
- Dennett, Carl P., 264
- Denver, Colo., 383
- Des Moines, Iowa, 322-325
- Detroit, Mich., 5 n., 347
- Dickenson, Sen. L. J., 154 n.
- Diphtheria Prevention Commission, 8
- Disabled persons. *See* Handicapped persons
- Disarmament
 - Campaign remarks, 259, 322, 328, 346, 380, 387
 - Economic impact, 259, 337, 347, 380, 395, 431, 434
 - General Disarmament Conference, Geneva, 3, 23, 25, 111, 112, 135, 204-206, 304, 380, 395, 407, 419, 431, 434, 441

Index

[Main references are to item numbers except as otherwise indicated]

- Disarmament—Continued
 International Convention for the Suppression of International Trade in Arms and Ammunition and Implements of War, 446
 London Naval Conference, 135
 Navy Day, 356
 Restrictions on arms trade, 470
Disasters and disaster assistance
 Drought, 322, 358, 377
 Flood control projects, 353
 Puerto Rico, hurricane, 310, 433
Distinguished Flying Cross, 247, 252, 266
District of Columbia
 Board of Public Welfare, 423
 Bonus marchers, 218, 225 n., 246, 248–250, 285 n.
 Commissioners, 246, 248, 423
 Court system, 69
 Postmaster, 31
 Prohibition law, 69
 Public building projects, 421
 Superintendent of Police, 246 n.
 Supreme Court of the District of Columbia, 250 n.
District of Columbia Fiscal Relations, 135
Dixon, Joseph M., 201 n.
Doak, William N., 213, 264
Dollar. *See* Currency
Donovan, William J., 345, 367
Doumer, Paul, 74, 149, 150
Drought Committee, National, 135
Drought relief, 322, 358, 377
Drugs, 52
Dry Goods Association, National Retail, 428
Duffy, Francis P., 211
Duncan, James S., 45
Dunseith, N. Dak., 227 n.
Earhart, Amelia, 173, 203, 252
East, Arthur M., 41 n.
Eastman, George, 84
Eau Claire, Wis., 379
Echo, Utah, 386
Economic Research, National Bureau of, 337, 378
Economy, international
 Currency. *See* Currency
 Domestic impact, 73, 186, 259, 272, 322, 337, 347, 349, 357, 358, 360, 363, 364, 366, 371, 377, 378, 379, 380, 386, 387, 419, 431, 434, 457, 462, 465
 Intergovernmental debts, 111, 112, 228, 259, 322, 337, 358, 377, 378, 395, 396, 400, 405, 407, 419, 431, 434, 452, 454, 465
 Lausanne agreement, 228, 272
 Lincoln Day dinner, remarks, 465
 Special message to Congress, 431
 State of the Union message, 419
 U.S. fiscal policy, 31
 World economic conference, 207, 259, 269, 322, 337, 343, 347, 377, 380, 387, 388, 395, 407, 419, 431, 434, 441, 457, 465
 World trade conference, possibility of, 155
Economy, national
 Address to the Senate, 186
 Campaign remarks, 259, 322, 328, 336, 337, 346, 347, 357, 358, 360, 363, 364, 366, 377, 378, 382, 387, 388

Index

[Main references are to item numbers except as otherwise indicated]

- Economy, national—Continued
 - Conference of Governors, address, 137
 - Congressional action, impact, 3, 123, 146–148, 154, 156, 186, 287, 293, 317, 322, 328, 337, 346, 347, 358, 363, 366, 380, 387, 470
 - Currency. *See* Currency
 - Economic indicators, 357, 360, 364, 366, 380, 382, 387, 388, 419
 - Federal Reserve District Banking and Industrial Committees, 169, 170, 187, 260, 264, 267, 272, 295, 313, 347
 - Fiscal policy, 31
 - Gold standard, 38, 41, 66, 322, 337, 347, 377, 378, 380, 387, 431, 457, 465
 - National economy program. *See* Economy program, national
 - Public confidence, 36, 120, 126, 146–148, 157–159, 175, 337, 419, 450
 - Railroads, recovery, 1, 76, 78, 87, 88, 92, 94, 175, 187, 251, 347, 360, 380, 419
 - Rapidan Camp conference, 187
 - Recovery program, 1, 3, 27, 28, 36, 66, 78, 92–94, 106, 107, 146, 156–159, 169, 170, 175, 186, 187, 204–206, 251, 259, 267, 272, 287, 322, 328, 347, 357, 358, 371, 377, 380, 388, 419
 - State of the Union message, 419
 - Tariff policy, effect, 155, 237, 259, 322, 328, 336, 337, 342, 344, 346, 347, 349, 357, 358, 360, 363, 364, 366, 371, 376–380, 386–388, 390, 457, 462, 465
 - “Economy Act,” 9, 10, 50 n., 76, 77, 109, 111, 113, 114, 119, 123–126, 146–148, 154, 186, 198, 199, 212, 231, 289, 421
 - Economy League, National, 245
 - Economy program, national
 - “Economy Act,” 9, 10, 50 n., 76, 77, 109, 111, 113, 114, 119, 123–126, 146–148, 154, 186, 198, 199, 212, 231, 289, 421
 - Furlough plan for Federal employees, 119, 126, 127, 132, 133, 137, 146, 175, 198, 199, 208, 212, 240, 307, 337, 419, 421
 - Reorganization of executive branch, 9, 10, 48, 50, 59, 76, 77, 79, 92, 93, 106, 109, 111, 113, 146, 198, 199, 212, 259, 289, 290, 347, 358, 396, 419, 423, 439, 440, 450, 452, 453, 462
- Edison, Thomas Alva, 278, 288
- Education, 145, 311, 442
- Education, Advisory Committee on, 135
- Education, Association for Childhood, 145
- Education, Conference on the Crisis in, 442
- Education, Federal Board for Vocational, 119, 423
- Education, Office of, 423
- Education Association, National, 41 n., 57, 62
- Education in Haiti, Committee for the Study of, 135
- Edwards, Edward C., 256
- Efficiency, United States Bureau of, 423
- Egypt, King Fuad I, 97

Index

[Main references are to item numbers except as otherwise indicated]

18th amendment. *See* Prohibition

Elections

Addresses

California Society of Washington,
D.C., 371

Cleveland, Ohio 337

Des Moines, Iowa, 322

Detroit, Mich., 347

Elko, Nev., 389

Indianapolis, Ind., 358

New York, N.Y., 366

Newark, N.J., 364

Republican Presidential nomination,
acceptance, 259

St. Louis, Mo., 378

St. Paul, Minn., 380

Salt Lake City, Utah, 387

Springfield, Ill., 377

Women of America, 328

Democratic Party. *See* Democratic
Party

Informal remarks

California, 390

Delaware, 363

Illinois, 321, 376, 379

Indiana, 326, 357, 376

Iowa, 321, 323–325

Joint National Planning Committee
to Get Out the Negro Vote,
318

Maryland, 336, 363

Michigan, 346

Nevada, 388

New Jersey, 363

New York, 367

Ohio, 336, 346, 357

Elections—Continued

Informal remarks—Continued

Pennsylvania, 336, 363, 375

Utah, 386, 388

West Virginia, 336, 346, 357, 360

Wisconsin, 379

Wyoming, 386

Iowa Republican national committee-
man, 314 n., 325

Messages

California Republican Party cam-
paign chairman, 342

Carran, Mollie Brown, 314

Chenango County Republican
Women's Educational League,
333

Hobart, Jennie, 370

Hoover-Curtis Committee, Wyo-
ming State chairman, 344

Massachusetts State convention, 317

Maine gubernatorial election, 291

Massachusetts State Republican
Convention, 317

New Jersey Republican Campaign
Committee, 372

New York First Voters' Donovan-
for-Governor League, 345

Republican national convention, ac-
ceptance of nomination, 197

Silver Bow County, Montana, Re-
publican Committee, 343

Young Republican League, 368

News conference remarks, 260, 382,
392

Results

President-elect Roosevelt, message
of congratulations, 391

President's plans, 392

Index

[Main references are to item numbers except as otherwise indicated]

- Elections—Continued
Statements
Agricultural tariffs, 384, 385
Campaign plans, 200
Philippine independence, 384
United States Junior Chamber of
Commerce “Get out the vote”
drive, 96
Electric power, 278, 288
Elko, Nev., 388, 389
Elks of the United States of America,
Benevolent and Protective Order of,
41 n.
Elroy, Wis., 379
Emancipation proclamation, 438
Emergency Relief and Construction Act
of 1932, 182, 183, 186, 208, 209, 216,
217, 220 n., 221, 230, 233, 243 n.,
282, 283, 421
Emergency Unemployment Relief Com-
mittee of New York City, 85, 351
Emery, James A., 41 n.
Employees’ Compensation Commission,
United States, 423
Employment, President’s Emergency
Committee for, 135, 337 ftn.
Employment and unemployment
American Legion employment drive,
38, 40
Cleveland, Ohio, address, 337
Emergency Unemployment Relief
Committee of New York, 85, 351
Equal opportunity, 354
Federal Reserve District Banking and
Industrial Committees, confer-
ence, 243, 267, 272
Furlough plan for Federal employees,
119, 126, 127, 132, 133, 137, 146,
175, 198, 199, 212, 240, 307, 337
Employment and unemployment—Con.
International economy, impact, 349,
457, 462, 465
Musicians Symphony Orchestra, 429
New England Conference on Reem-
ployment, 240
Pennsylvania’s unemployed, repre-
sentatives, 7
President’s Organization on Unem-
ployment Relief. *See* President’s
Organization on Unemployment
Relief
Public works. *See* Public works
Statistics, 337, 347, 363, 366, 376, 379,
387–390
Technological unemployment, 337
Work hours, 1, 126, 132, 240, 267,
272, 294, 337, 358, 404, 419
Engelman, Morris, 332
Engineering Council, American, 41 n.
Engineering Co., American, 41 n.
Engineers, American Society of Civil,
175
Engineers, Brotherhood of Locomotive,
41 n.
Engineers, Office of the Chief of, 251,
353 n., 423
Equal opportunity, 191, 259, 328, 354,
366, 379, 380, 419, 424
Estonia, intergovernmental debts, 431
Ethiopia, Emperor Haile Selassie I, 241
Euler, W. D., 371
Europe
Intergovernmental debts, 111, 112,
228, 259, 322, 337, 358, 377, 378,
395, 396, 400, 405, 407, 419, 431,
434, 452, 454, 465
U.S. fiscal policy, concern, 31

Index

[Main references are to item numbers except as otherwise indicated]

- Evanston, Wyo., 386
- Excise taxes, 186, 346, 419, 421, 450
- Executive branch reorganization, 9, 10, 48, 50, 59, 76, 77, 79, 92, 93, 106, 108, 109, 111, 113, 146, 198, 199, 212, 259, 289, 290, 347, 358, 396, 419, 423, 439, 440, 450, 452, 453, 462
- Executive orders
 - See also* Appendix C
 - Executive branch reorganization, 289, 290, 440, 450, 453
- Exports. *See* Trade
- Far East, Sino-Japanese conflict, 34, 35
- Farm Board, Federal. *See* Federal Farm Board
- Farm Bureau Federation, American, 194
- Farm Loan Act, amendments, Federal, 28
- Farm Loan Board, Federal. *See* Federal Farm Loan Board
- Farming. *See* Agriculture and agricultural programs
- Farrell, James A., 143
- Federal Bar Association, 467
- Federal Board for Vocational Education, 119, 423
- Federal Council of the Churches of Christ in America, 41 n., 420
- Federal departments and agencies
 - See also* Cabinet; *specific department or agency*
 - Appropriations, 119, 421, 459, 482
 - Committees and commissions, 135
 - Conferences
 - Economy conferences with legislative branch, 111, 113, 114, 119, 123-125, 127, 154
 - Farm mortgage relief, 313
 - Federal departments and agencies—*Con.*
 - Conferences—Continued
 - Federal Reserve District Banking and Industrial Committees, 267, 272
 - Currency hoarding, 41
 - Death of Calvin Coolidge, display of flags at half staff, 444
 - Federal contractors, equal employment opportunity directive, 354
 - Federal expenditures, memorandum, 287
 - Job vacancies, 421
 - Procurement policy, 31, 32
 - Public building projects, 282, 283, 307
 - Regulatory reform, 328, 335, 366, 439, 400
 - Reorganization, proposed, 9, 10, 48, 50, 59, 76, 77, 79, 92, 93, 106, 109, 111, 113, 146, 198, 199, 212, 259, 289, 290, 347, 358, 396, 419, 423, 439, 440, 450, 452, 453, 462
 - Scientific research, 435
 - Federal employees
 - Furlough plan, 119, 126, 127, 132, 133, 137, 146, 175, 198, 199, 208, 212, 240, 307, 337, 419, 421
 - Blacks, 354 n.
 - Political activities, civil service regulations, 275, 276
- Federal Farm Board
 - Agricultural relief efforts, 169, 186, 187, 251, 322, 366, 371, 377, 380
 - Chairman, 264
 - Establishment, 135
- Federal Farm Loan Act, amendments, 28
- Federal Farm Loan Board
 - Economic recovery, role, 169

Index

[Main references are to item numbers except as otherwise indicated]

- Federal Farm Loan Board—Continued
Farm Loan Commissioner, 41 n., 220,
234, 251, 264, 267 *ftn.*
Federal land and intermediate credit
banks, 1, 28, 29, 66, 226, 234, 251,
259, 272, 313, 322, 334, 343, 347,
366, 377, 380, 407, 408, 419, 430,
436, 437
Federal Home Loan Bank Act, 238, 239
Federal Home Loan Bank Board
Campaign remarks, 259, 311, 328,
337, 346, 357, 358, 366, 371, 380
Chairman, 264, 267 *ftn.*
Directors, 251
Establishment, 1, 175, 187, 238, 239,
274
Expansion, proposed, 419, 470
State of the Union message, 419
Federal International Banking Co., 358
Federal lands and intermediate credit
banks, 1, 28, 29, 66, 226, 234, 251,
259, 272, 313, 322, 334, 343, 347,
366, 377, 380, 407, 408, 419, 430,
436, 437
Federal Oil Conservation Board, 423
Federal Power Commission, interstate
power, 358, 366
Federal Radio Commission, member,
13
Federal Reserve Act, amendments, 63,
66
Federal Reserve System
Board of Governors, 1, 23, 41 n., 123,
220, 251, 264, 267 n.
Campaign remarks, 322, 347, 358,
366, 378, 380, 382
Credit, availability, 126, 175, 251, 259,
322, 347, 358, 366, 380, 419
Currency hoarding, 60
Federal Reserve System—Continued
Discount facilities, 1
District Banking and Industrial Com-
mittees, 169, 170, 187, 251, 260,
264, 267, 272, 295, 313, 347
Gold reserves, 38, 66, 322
Federal Shipbuilding and Dry Dock
Co., 91
Federal spending. *See* Budget
Federation for the Support of the Jew-
ish Philanthropic Societies, 339
Ferguson, Mrs. John, 447
Fields, Lew, 306
Fifth Avenue Association, 316
Finance. *See* Banking and finance
Finance Corporation, Reconstruction.
See Reconstruction Finance Cor-
poration
Fine Arts, Commission of, 423
Finland
Intergovernmental debts, 431
President Pehr Evind Svinhufvud,
417
Finley, John H., 4, 176, 406
First Voters' Donovan-for-Governor
League, 345
Fish hatcheries, transfer to States, 119
Flag Day, 196
Flood control, 282, 283, 353, 421
Flying Cross, Distinguished, 247, 252,
266
Ford Museum, Dearborn, Mich., 278 n.
Foreign Debt Commission, World War,
407
Foreign policy, statement, 434
Foreign Trade Council, National, 143
Forest Service, 423
Fort, Franklin W., 264, 267 *ftn.*
Fort Wayne, Ind., 326

Index

[Main references are to item numbers except as otherwise indicated]

- Forum on House Construction, 180
- Foster, T. J., 180
- Fostoria, Ohio, 346
- Founders' Day, 330
- France
 - Bastille Day, 229
 - DAR Pilgrimage to Paris, 301
 - Former Ambassador to U.S., 236
 - Former Foreign Minister, 74
 - Intergovernmental debts, 228 n., 395 n., 431
 - President Albert Lebrun, 222, 229
 - President Paul Doumer, 74, 149, 150
 - Prime Minister André Tardieu, 150
 - Submarine *Prométhée*, sinking, 222
- France-America Society, 42
- Franklin Society, International Benjamin, 18, 455
- Freedman's Hospital, 423
- Freeport, Ill., 379
- Free and Accepted Masons, District of Columbia, 41 n.
- French Backgrounds of American Civilization, Lafayette College Conference on, 166
- Frohman, Daniel, 474
- Frost, Henry D., 174
- Fuad I, King of Egypt, 97
- Furlough plan for Federal employees, 119, 126, 127, 132, 133, 137, 146, 175, 198, 199, 208, 212, 240, 307, 337, 419, 421
- Garfield, James R., 425
- Garner, Repr. John N., 32, 183 n., 217, 378, 380, 387
- Garner-Wagner bill. *See* Emergency Relief and Construction Act of 1932
- Gary, Ind., 376
- Gasoline, Federal tax, 421
- Gassaway, Gerrish, 41 n.
- Gatty, Harold, 266
- General Accounting Office, Comptroller General, 423
- General Disarmament Conference, Geneva, 3, 23, 25, 111, 112, 135, 204-206, 304, 380, 395, 407, 419, 431, 434, 441
- General Federation of Women's Clubs, 41 n.
- General Grant National Park, Calif., 436 n.
- General Land Office, 423
- General Motors Corp., 404
- General Supply Committee, 423
- Genesee, Society of the, 30, 445
- Geodetic Survey, Coast and, 423
- Geographic Society, National, 203
- Geological Survey, 423
- George Rogers Clark Sesquicentennial Commission, 423
- George Washington, bicentennial of birth, 35, 54, 56-58, 122, 142, 174, 181, 194, 196, 262, 335
- George Washington Bicentennial Commission of the New York Board of Jewish Ministers, 142
- Germany
 - General Disarmament Conference, participation, 304
 - Lausanne agreement, 228 n.
 - Niobe*, sinking, 255
 - President Paul von Hindenburg, 255, 319, 378
 - U.S. Ambassador to, 378
- "Get out the vote" drive, 96
- Gibbons, James Cardinal, 263

Index

[Main references are to item numbers except as otherwise indicated]

- Gibson, Harvey D., 85, 351 n.
Gibson, Hugh S., 23, 25
Giddings, Joshua Reed, 302
Gifford, Walter S., 215, 260, 261, 294,
337 ftn.
Glacier Park, Montana, 201
Glass, Sen. Carter, 239 n.
Glass-Steagall Act. *See* Federal Reserve
Act, amendments
Glassford, Gen. Pelham D., 246 n.
Glendale, Calif., 394
Goethe Society of America, 129
Gold standard, 38, 41, 66, 322, 337, 347,
377, 378, 380, 387, 431, 457, 465
Goldsborough bill, 146 ftn.
Goldstein, Israel, 142
Gomez, Manuel, 214
Gompers, Samuel, 366
Goodyear, A. Conger, 153
Gorguloff, Paul, 149 n.
Gould, Kenneth M., 277
Gould, Olive J., 333
Government departments and agencies.
See Federal departments and
agencies
Government employees. *See* Federal em-
ployees
Governors, Conference of, 137
Grace Line, 91
Grafton, W. Va., 360
Graham, Edwin C., 264
Grand Street Boys' American Legion
Post No. 1025, 51
Grant, Lt. Col. U.S., III, 353
Great Britain. *See* United Kingdom
Great Lakes-St. Lawrence Deep Water-
way, 219, 226, 235, 259, 273, 322,
470
Greece
Intergovernmental debts, 431
President Alexander Zaimis, 95
Greeley, A. H., 68
Green, William, 41 n.
Greenspan Brothers, warehouse, N.J.,
315
Gresham Junction, Ill., 376
Gridiron Club, 120, 424
Guatemala, President Jorge Ubico, 300
Gustavus Adolphus Tricentennial Fes-
tival, 381
Guthrie, William D., 42
Haas, Harry J., 41 n.
Haig, Robert Murray, 292
Haile Selassie I, Emperor of Ethiopia,
241
Haiti, Committee for the Study of Edu-
cation in, 135
Hall, William E., 178
Hamden, Ohio, 357
Hamilton, Ohio, 357
Handicapped persons
American Braille Press, 478
Matilda Ziegler Magazine for the
Blind, 70
New York Association for the Blind,
4
Veterans, 51, 365, 432
Harding, Warren G., 346
Harris, George S., 264
Harris, J. W., 264
Hastings, George A., 171
Hatfield, Sen. Henry D., 346
Hawley, Repr. Willis C., 221
Hays, Warner S., 41 n., 296
Head, Walter W., 165, 244

Index

[Main references are to item numbers except as otherwise indicated]

- Health Association, American Public, 348, 358
- Health and medical care
 - American Public Health Association, 348
 - Christmas seals, 408
 - Conferences on child health and protection, 5, 135, 171, 184, 259, 311, 312, 328, 380, 383, 441
 - County health units, 348
 - Diphtheria Prevention Commission, 8
 - Economic depression, effects, 2, 294, 337, 358, 380, 383, 419
 - Jewish Hospital of Brooklyn, N.Y., 355
 - National Hospital Day, 140
 - Tubercle bacillus, 50th anniversary of detection, 89
- Health Service, Bureau of the Public. *See* Public Health Service, Bureau of the
- Hearst, William Randolph, 366, 378, 390
- Hebrew Medal, American, 406
- Heimann, Henry H., 41 n.
- Hellenic Republic. *See* Greece
- Hennrich, Killian J., 312
- Henry, Ill., 376
- Hepburn, Rear Adm. Arthur J., 25 n.
- Herridge, W. D., 235 n.
- Hert, Mrs. Alvin T., 328 n.
- Hibben, John Grier, 151, 202
- Highway construction programs, 14, 175, 233, 421
- Hindenburg, Paul von, 255, 319, 378
- Hines, Frank T., 225 n.
- Hirohito, Emperor of Japan, 139, 327
- Hoarding of currency, 36, 38, 41, 48, 49, 60, 66, 71, 73, 80, 81, 119, 126, 272, 322, 419
- Hobart, Jennie, 370
- Hodges, Gilbert T., 41 n.
- Holland, Rush L., 41 n.
- Holmes, Oliver Wendell, 15, 75
- Home Building and Home Ownership, White House Conference on, 99, 135, 180, 184, 259, 311, 328, 358, 380
- Home Loan Bank Board, Federal. *See* Federal Home Loan Bank Board
- Homes Week, Better, 134
- Homma, Kiyoshi, 327
- Honduras, President Vicente Mejía Colindres, 299
- Hoover, Lou Henry, 43
- Hoover Dam, Nev., 394, 396
- Horthy, Nicholas von, 254
- Hospital Day, National, 140
- House, Edward M., 434
- House Construction, Forum on, 180
- House of Representatives. *See under* Congress
- Housing
 - Better Homes Week, 134
 - Homeownership, message, 161
 - Mortgages, 1, 161, 238, 239, 251, 264, 272, 328, 337, 346, 357, 358, 371, 380, 470
 - Slum clearance programs, 251, 311
 - Taxation, 137, 292
 - White House Conference on Home Building and Home Ownership, 99, 135, 180, 184, 259, 311, 328, 358, 380
- Houston, George H., 264
- Hoving, Johannes, 381
- Howard University, 191, 423
- Hoyt, Paul D., 401 n.
- Hudson, Wis., 379
- Hudtloff, Paul, 343

Index

[Main references are to item numbers except as otherwise indicated]

- Hughes, Charles Evans, 335 n., 358
- Huguenot Memorial Association, 174
- Hundred Year Club of New York, 85
- Hungary
 - Intergovernmental debts, 431
 - Radiotelegraphic service, 254
- Huntington, W. Va., 346
- Hurley, Patrick J., 34, 187 n., 246 n., 403, 449 n.
- Hurricane, Puerto Rico, 310
- Hyde, Arthur M., 76, 78, 264, 449 n.

- Iceland, 1,000th Anniversary of the Althing, 135
- Idaho, Lincoln's Birthday, message, 45 n.
- Illinois
 - Great Lakes-St. Lawrence Deep Waterway, 235
 - President's campaign, 321, 376, 377, 379
- Illiteracy, Advisory Committee on, 135
- Immigration, Bureau of, 423
- Immigration, restriction, 259, 328, 337, 346, 347, 358, 376, 388
- Imperial Order of the Dragon, 47
- Imports. *See* Tariffs; Trade
- Income taxes, 186, 450
- Indian Affairs, Bureau of, 423
- Indiana
 - Great Lakes-St. Lawrence Deep Waterway, 235
 - Lincoln's Birthday, message, 45 n.
 - President's campaign, 326, 357, 358, 376
- Indianapolis, Ind., 358
- Indians, American, 136, 458
- Industrial Conference Board, National, 41 n.
- Industry. *See* Business and industry
- Ingalls, David S., 337
- Inland Waterways Corporation, 423
- Insurance, life, 12, 358
- Insurance Presidents, Association of Life, 41 n.
- Interdepartmental Mail Contract Committee, 135
- Intergovernmental debts, 111, 112, 228, 259, 322, 337, 358, 377, 378, 395, 396, 400, 405, 407, 419, 431, 434, 452, 454, 465
- Interior, Department of the
 - Appropriations, 133
 - Assistant Secretary, 201 n.
 - Bureau of Indian Affairs, 423
 - Bureau of Reclamation, 423
 - Employees, 132
 - Reorganization, proposed, 423
 - Secretary, 119 n., 167 n., 232 n., 392, 394, 411 n., 458
- Intermediate credit banks. *See* Federal land and intermediate credit banks
- International Association of Lions Clubs, 41 n.
- International Benjamin Franklin Society, 18, 455
- International Civitan, 41 n.
- International Justice, American Conference of Institutions for the Establishment of, 141
- International Monetary and Economic Conference. *See* World economic conference
- International Narcotic Education Association, 52
- International Peace Garden, 227
- International Save the Children Fund, 447

Index

[Main references are to item numbers except as otherwise indicated]

- International Settlement, Shanghai, China, 34
- Interoceanic Canal Board, 135, 423
- Interstate Commerce Commission
 - Building, cornerstone laying, 427
 - Railroad corporate reorganization, approval, 448
 - Railroad reconstruction, conferences, 87, 88
 - Rates, 76
 - Transportation laws, reform, 1, 358
- Interstate Conference of Legislators, 461
- Investment Bankers Association of America, 41 n.
- Iowa
 - Child health and protection conference, 5 n.
 - Governor, 313
 - President's campaign, 321-325
 - Republican National Committeeman, 325
- Iron and Steel Institute, American, 257 n.
- Ironton, Ohio, 346
- Ishita, Tomoyishi, 327
- Italy, intergovernmental debts, 228 n., 431
- Japan
 - Aviators, crash, 327
 - Emperor Hirohito, 139, 327
 - Invasion of Shanghai, China, 34, 35
 - Lausanne agreement, 228 n.
 - Trade relations, 357
- Jarvis, J. Antonio, 426
- Jefferson, Ohio, 302
- Jenkins, Charles F., 350 n.
- Jewish Congress, American, 72
- Jewish Hospital of Brooklyn, N.Y., 355
- Jewish Joint Distribution Committee, American, 98
- Jewish Ministers, New York Board of, 142
- Jewish National Fund of America, 58
- Jewish Philanthropic Societies, Federation for the Support of the, 339
- Jewish Welfare Board, 41 n.
- Jews
 - American Hebrew Medal, 406
 - American Palestine Committee, 19
 - National Conference on Palestine, 20
 - 116th Street Synagogue, 332
 - Park Avenue Synagogue, 116
 - Rosh Hashanah, 303
 - Maurice Schwartz, testimonial dinner, 474
 - Zionist Organization of America, 374
- Jiménez, Ricardo, 297
- Johnson, Charles H., 340
- Johnston, A., 41 n.
- Joint Committee to Attend Sesquicentennial Celebration of Battle of Kings Mountain, S.C., 135
- Joint Committee to Investigate Northern Pacific Land Grants, 135
- Joint Committee to Investigate Pay Readjustment of Army, Navy, Marine Corps, Coast Guard and Geodetic Survey, and Public Health Service, 135
- Joliet, Ill., 376
- Jones, Comdr. Claude A., 270
- Jones, Eugene Kinckle, 353
- Jones, Jesse H., 31 n., 187
- Jones, Melvin, 41 n.
- Jones, Sen. Weley L., 154 n.
- Joslin, Theodore G., 439

Index

[Main references are to item numbers except as otherwise indicated]

- Judicial procedure, reform, 63, 64, 69, 475
- Junior Chamber of Commerce, United States, 96
- Jusserand, Jean Jules, 236
- Justice, American Conference of Institutions for the Establishment of International, 141
- Justice, Department of
- Attorney General, 69, 90, 246, 285, 448, 456, 475
 - Bankruptcy, investigation, 69 n.
 - Bonus marchers, investigation, 249, 250, 285
 - Building, cornerstone laying, 472
 - Reorganization, proposed, 423
- Justo, Augustin P., 177
- Juvenile delinquency, 69
- Kansas
- Child health and protection conference, 5 n.
 - President's visit, 397
- Kearny, N.J., 91 n.
- Kell, Frank, 264
- Kemal, Mustapha, 361
- Kenova, W. Va., 346
- Kentucky, child health and protection conference, 5 n.
- Kerr, Ben H., 276
- Keyser, W. Va., 360
- Kings Mountain, S.C., Joint Committee to Attend Sesquicentennial Celebration of the Battle of, 135
- Kingsbury, K. R., 264
- Kinkaid, Comdr. Thomas C., 25 n.
- Kirchwey, George W., 464
- Kitty Hawk, N.C., 403
- Kiwanis International, 41 n.
- Klein, Julius, 41 n.
- Kneubuhl, Emily R., 41 n.
- Knight, H. C., 41 n.
- Knights of Columbus, 103
- Knox, Frank, 38, 41, 60, 73, 80, 81
- Koch, Dr. Robert, 89
- Krueger, J. W., 433
- Labor
- American Legion employment drive, 40 n.
 - Child, 311
 - Circuit court of appeal, opposition to nomination of judge, 5
 - Conference on hoarding of currency, 36, 41 n.
 - Equal opportunity, 354
 - Federal Reserve District Banking and Industrial Committees, conference, 264, 267, 272
 - Flood control projects, charges of unfair labor practices, 353
 - Labor-management relations, 380, 388
 - Norris-La Guardia Act, 90
 - Public buildings, laborers, 213
 - Share-the-work movement, 404
 - Technological unemployment, 337
 - Wages, 213, 337, 346, 353, 357, 360, 363, 364, 379, 388
 - Work hours, 1, 126, 240, 251, 267, 272, 294, 311, 337, 358, 380, 419
- Labor, American Federation of, 41 n., 389, 390
- Labor, Department of
- Building, cornerstone laying, 427
 - Children's Bureau, 358
 - Employment statistics, 337
 - Reorganization, proposed, 423
 - Secretary, 213, 264
 - Work hours, survey, 240

Index

[Main references are to item numbers except as otherwise indicated]

- Ladies' Home Journal, 161
- Lafayette, Marquis de, 280
- Lafayette College, Conference on the French Backgrounds of American Civilization, 166
- Lafayette-Marne Day Committee, 280
- La Follette, Sen. Robert M., Jr., 366, 378
- Lake Michigan, 235
- Lamont, Robert P., 41 n., 122, 257
- Lamont, Thomas W., 8
- Lampson, E. C., 302
- Land banks, Federal. *See* Federal land and intermediate credit banks
- Land Grants, Joint Committee to Investigate Northern Pacific, 135
- Land Office, General, 423
- Landman, Rabbi Isaac, 406
- Lands, public, conservation of Western ranges, 50
- LaSalle, Ill., 376
- LaSenay, Treffle R., 436 n.
- Lathrop, Julia, 128
- Latin America, trade with U.S., 91
- Latvia, intergovernmental debts, 431
- Lausanne agreement, 228, 272, 407
- Law enforcement and crime
 - American Bar Association, 335
 - Bonus marchers, 246, 248-250, 285
 - Judicial procedure, reform, 63, 64, 69, 475
 - Juvenile delinquents, bill authorizing transfer of cases to local jurisdictions, 193
 - Lindbergh kidnapping, 160
 - New York City police commissioner, 401, 468
 - Newark, N.J., Chief of Police, 413
 - Prohibition, 69, 259, 268, 317, 372, 378
 - Law enforcement and crime—Con.
 - State and local governments, responsibility, 379
- Law Observance and Enforcement, National Commission on, 135
- Lawrence, Richard W., 22
- League of Nations, 35, 269 n.
- Lebrun, Albert, 222, 229
- Legislation
 - See also* Veto messages
 - Bankruptcy Act of 1898, amendments, 63, 64, 69, 448, 451, 470
- Bonus
 - Loans for veterans, 101, 102, 123, 126, 154, 293
 - Marchers, appropriations for travel expenses, 218, 225
- Budget message, 421
- Common carriers, regulatory reform, 358
- Congressional action, impact, 317, 322, 328, 337, 347, 357, 358, 363, 366, 371, 376, 377, 378, 380, 387, 388, 452
- Economic recovery program, 1, 3, 92, 93, 146, 156-159, 347, 380, 419, 470
- "Economy Act," 9, 10, 50 n., 76, 77, 109, 111, 113, 114, 119, 123-126, 146-148, 154, 186, 198, 199, 212, 231, 289, 421
- Emergency Relief and Construction Act of 1932, 182, 183, 186, 208, 209, 216, 217, 220 n., 221, 230, 233, 243 n., 282, 283, 421
- Executive branch reorganization legislation, 48, 50, 59, 76, 77, 79, 92, 93, 109, 111, 113, 146, 198, 199, 212, 289, 290, 396, 419, 423, 439, 440, 450, 452, 453, 462

Index

[Main references are to item numbers except as otherwise indicated]

- Legislation—Continued
Federal Farm Loan Act, amendments, 28
Federal Home Loan Bank Act, 238, 239
Federal Reserve Act, amendments, 63, 66
Judicial procedure, reform, 63, 64, 69, 475
Juvenile delinquents, transfer to local jurisdictions, 193
Norris-La Guardia Act, 90
Post Office site in New York City, legislation relating to purchase, 224
Reconstruction Finance Corporation Act, 27
Relief of the families of Emilio Cortez Rubio and Manuel Gomez, 214
Revenue Act of 1932, 123, 126, 146, 154, 186, 188
State of the Union message, 419
Legislators, Interstate Conference of, 461
Leon, Maurice, 280
Lewis, Edwin D., 345
Lewis, William Mather, 166
Lewis and Clark Expedition Celebration, 135
Lewis relief bill, 146 fn.
Liberal, Kans., 397
Life Insurance Day, 12
Life Insurance Presidents, Association of, 41 n.
Lighthouses, Bureau of, 423
Lin Sen, 334
Lincoln, Abraham, 377
Lincoln's Birthday, 45, 46, 465
Lindbergh, Charles Augustus, Jr., 160
Lions Clubs, International Association of, 41 n.
Lithuania, intergovernmental debts, 431
Livestock, loans, 295
Loan League, United States Building and, 41 n., 274
Locomotive Engineers, Brotherhood of, 41 n.
London economic conference. *See* World economic conference
London Naval Conference, 135
Long, Sen. Huey P., 366
Louisiana, Bank of Abbeville and Trust Co., 86
Luhring, Oscar R., 250 n.
Luther Day, 262
MacArthur, Gen. Douglas, 34, 235, 246 n.
Macauley, Alvan, 105 n.
Machado y Morales, Gerardo, 172
MacLean, James Nelson, 41 n.
MacNider, Hanford, 273
Madison, Wis., 379
Magna, Mrs. Russell William, 301
Maguth, John, 47
Mail Contract Committee, Interdepartmental, 135
Maine, gubernatorial election, 291
Manufacturers, National Association of, 41 n.
Marine Corps, United States, 34
Marion, Ohio, 346
Markham, Edwin, 131
Marne, Battle of the, 280
Marriner, J. Theodore, 3 n., 25 n.
Martinsburg, W. Va., 336, 360

Index

[Main references are to item numbers except as otherwise indicated]

- Maryland
 - Calvert Associates, 117
 - President's campaign, 336, 363
- Masaryk, Thomas G., 359
- Masons, Free and Accepted, District of Columbia, 41 n.
- Massachusetts
 - Lincoln's Birthday, message, 45 n.
 - Republican State convention, 317
- Massachusetts Bay Colony Tercentenary Commission, 135
- Massachusetts Commission on the Stabilization of Unemployment, 240 n.
- Matilda Ziegler Magazine for the Blind, 70
- Matson, Roderick N., 344
- McCarthy, Wilson, 31 n., 41 n., 187
- McCartney, Rev. Albert Joseph, 181
- McClure, Mrs. Virgil, 479
- McCosker, Albert J., 412, 473
- McDowell, Bishop William F., 168, 420
- McDuffie, Repr. John, 114, 125
- McKeesport, Pa., 336
- McKellar, Sen. Kenneth, 154 n.
- McRell, James A., 413
- Medals. *See* Awards and citations
- Medical care. *See* Health and medical care
- Medical Care, National Conference on the Costs of, 411
- Mellon, Andrew W., 37-39, 44
- Memorandum to Federal departments and agencies on Federal expenditures, 287
- Memorial Bridge Commission, Arlington, 423
- Memorial Day, 185
- Merchant marine, 91, 106, 108
- Merrillan, Wis., 379
- Metcalfe, Ralph, 318
- Methodist Episcopal Church, Quadrennial General Conference, 168
- Metropolitan Museum of Art, 153 n.
- Mexico
 - Legislation for the relief of the families of Emilio Cortez Rubio and Manuel Gomez, 214
 - President Abelardo Rodríguez, 279
 - President Pascual Ortiz Rubio, 214 n., 279
 - U.S. Ambassador to, 477
- Meyer, Eugene, 23, 24, 36, 41 n., 187, 264, 267 ftn.
- Meyersdale, Pa., 336
- Michigan
 - Governor, 347
 - Great Lakes-St. Lawrence Deep Waterway, 235
 - Lincoln's Birthday, message, 45 n.
 - President's campaign, 346, 347
- Miles, Brig. Gen. Perry L., 246 n.
- Military. *See* Armed Forces
- Military Order of the World War, 67
- Miller, Charles A., 208 n., 243 n.
- Mills, Ogden L., 38, 39, 41, 73 n., 119 n., 154 n., 156 n., 264, 267 ftn., 283, 399, 454
- Mines, Bureau of, 423
- Mining industry, 344, 346, 357
- Minnesota
 - Great Lakes-St. Lawrence Deep Waterway, 235
 - President's campaign, 380
- Mississippi, Canton Exchange Bank, 100
- Mississippi River, 321, 421

Index

[Main references are to item numbers except as otherwise indicated]

- Mississippi River Commission, 353 n., 423
- Missouri, President's campaign, 378
- Mitchell, Wesley C., 437
- Mitchell, William D., 90, 285, 456, 475 n.
- Modern Art, Museum of, 153
- Moley, Raymond, 454
- Moncada, José María, 298
- Monetary and Economic Conference, International. *See* World economic conference
- Monongahela Commission, United States Battle of the, 135
- Monroe, Mich., 346
- Montana, Silver Bow County Republican Committee, chairman, 343
- Mooney, William M., 31 n.
- Moore, J. Hampton, 350, 352
- Morgan, Russell V., 110
- Morris, Ill., 376
- Morrow, Dwight W., 364
- Morse, Samuel F. B., 163
- Mortgages, 1, 161, 238, 239, 251, 264, 272, 313, 322, 328, 337, 346, 357, 358, 371, 377, 380, 470
- Moscicki, Ignacy, 144
- Motion Pictures, National Board of Review of, 464
- Moton, Robert R., 353
- Mount Rushmore National Memorial Commission, 423
- Mount Vernon, Va., 57
- Mouser, Repr. Grant E., Jr., 346
- Mulrooney, Edward P., 401, 468
- Museum of Art, Metropolitan, 153 n.
- Museum of Modern Art, 153
- Museum of Safety, American, 179
- Music Supervisors National Conference, 110
- Musicians Symphony Orchestra, 429
- Nappanee, Ind., 376
- Narcotic Defense Association, World, 52
- Narcotic Education Association, International, 52
- National Advisory Committee for Aeronautics, 422, 423
- National Aeronautical Association, 105
- National Archives Building, cornerstone laying, 471
- National Association for the Advancement of Colored People, 41 n., 167, 353 n.
- National Association of Broadcasters, 412
- National Association of Civic Service Club Executives, 41 n.
- National Association of Commercial Organization Secretaries, 41 n.
- National Association of Community Chests, 338
- National Association of Credit Men, 41 n.
- National Association of Manufacturers, 41 n.
- National Association of Purchasing Agents, 190
- National Board of Review of Motion Pictures, 464
- National Bureau of Economic Research, 337, 378
- National Business Women's Week, 71
- National Capital Park and Planning Commission, 423

Index

[Main references are to item numbers except as otherwise indicated]

- National Capital Presbyterian Commission, 181
- National Citizens Committee for Welfare and Relief Mobilization, 294 n.
- National Commission on Law Observance and Enforcement, 135, 193
- National Conference on City Planning, 41 n.
- National Conference on the Costs of Medical Care, 411
- National Conference on Palestine, 20
- National Conference on Social Work, 171
- National credit association, 1, 259, 272, 347, 358, 371, 380
- National Defense, Council of, 169, 192, 322
- National defense and security
- Appropriations, 421
 - Aviation, 422
 - General Disarmament Conference, 204–206, 259
 - International Convention for the Suppression of International Trade in Arms and Ammunition and Implements of War, 446
 - Philippine independence, 449
- National Drought Committee, 135
- National Economy League, 245
- National Education Association, 41 n., 57, 62
- National Federation of Business and Professional Women's Clubs, Inc., 41 n., 71
- National Foreign Trade Council, 143
- National Geographic Society, 203
- National Hospital Day, 140
- National Industrial Conference Board, 41 n.
- National Memorial Commission, 135
- National Park Service, 423
- National Pharmacy Week, 329
- National Publishers' Association, 41 n.
- National Republican Club of New York City, 46
- National Retail Credit Association, 41 n.
- National Retail Dry Goods Association, 428
- National Safety Council, 320
- National Screw Thread Commission, 423
- National Society of the Sons of the American Revolution, 164
- National Tax Association, 292
- National Thrift Committee, 41 n.
- National Thrift Week, 21
- National Training School for Boys, 423
- National Tuberculosis Association, 408
- Nation's Christmas Tree Association, 436
- Naval Conference, London, 135
- Naval Observatory, 423
- Navigation, Bureau of, 423
- Navigation and Steamboat Inspection, Bureau of, 423
- Navy, Department of the
- Appropriations, 421
 - Assistant Secretary for Aeronautics, 337 n.
 - Bureau of Navigation, 423
 - Land naval stations, closings, 119
 - Office of Naval Operations, Chief, 34, 206
 - Panama transports, proposed abolition, 119
 - Procurement policy, 32
 - Secretary, 34, 119, 206, 444
 - United States Marine Corps, 34

Index

[Main references are to item numbers except as otherwise indicated]

- Navy-Army football game, 415
- Navy Day, 356
- Negro Vote, Joint National Planning Committee to Get out the, 318
- Negroes. *See* Blacks
- Neumann, Emanuel, 19
- Nevada, President's visit, 388, 389, 394
- New England Conference on Reemployment, 240
- New England Council, 41 n.
- New Hampshire Unemployment Relief Committee, 240 n.
- New Jersey
 - President's campaign, 363, 364
 - Republican Campaign Committee, 372
- New Mexico, President's visit, 397
- New York
 - Candidates for public office, 345, 367
 - Federal Reserve Banking and Industrial Committee, 169, 170
 - Governor, 219, 358
 - Great Lakes-St. Lawrence Deep Waterway, 219, 235
 - State Department of Social Welfare, 340 n.
- New York, Hundred Year Club of, 85
- New York, N.Y.
 - Jewish Hospital of Brooklyn, 355
 - Lincoln Day dinner, address, 465
 - Police Commissioner, 401, 468
 - Post office site, 224
 - President's campaign, 365-367
 - Union Square, centennial celebration, 130
- New York, Real Estate Board of, 17
- New York Association for the Blind, 4
- New York Board of Jewish Ministers, 142
- New York City, Young Men's Christian Association of, 22
- New York Harbor, Supervisor, 423
- New York Herald Tribune, 311 n.
- New York Stock Exchange, 54, 55
- Newark, Del., 363
- Newark, N.J., 364, 413
- Newark Star-Eagle, 104
- Newcastle, Pa., 336
- News conferences
 - 1932
 - January 5 (No. 227), 3
 - January 8 (No. 228), 9
 - January 12 (No. 229), 15
 - January 19 (No. 230), 23
 - January 26 (No. 231), 31
 - February 2 (No. 232), 35
 - February 5 (No. 233), 38
 - February 16 (No. 234), 48
 - February 19 (No. 235), 54
 - February 26 (No. 236), 63
 - March 8 (No. 237), 76
 - March 11 (No. 238), 80
 - March 25 (No. 239), 92
 - March 29 (No. 240), 101
 - April 1 (No. 241), 106
 - April 5 (No. 242), 111
 - April 12 (No. 243), 123
 - April 15 (No. 244), 126
 - April 22 (No. 245), 132
 - May 6 (No. 246), 147
 - May 10 (No. 247), 154
 - May 13 (No. 248), 158
 - May 20 (No. 249), 169
 - May 27 (No. 250), 182
 - June 17 (No. 251), 198
 - June 22 (No. 252), 204
 - June 24 (No. 253), 208
 - July 22 (No. 254), 238

Index

[Main references are to item numbers except as otherwise indicated]

News conferences—Continued

1932—Continued

- July 29 (No. 255), 249
- August 12 (No. 256), 260
- August 23 (No. 257), 267
- September 9 (No. 258), 282
- September 13 (No. 259), 289
- November 6 (No. 260), 382
- November 9 (No. 261), 392
- November 13 (No. 262), 396

1933

- January 3 (No. 263), 439
- January 18 (No. 264), 451
- January 20 (No. 265), 452
- January 25 (No. 266), 457
- February 8 (No. 267), 462
- March 3 (No. 268), 481

News conference on bonus marchers by
Secretary of War Hurley and Army
Chief of Staff MacArthur, 246 n.

News-Herald, Franklin, Pa., 469

News media. *See* Press

Newton, Walter H., 154 n.

Nicaragua, President José María Mon-
cada, 298

Nickelsburg, J. F. E., 262

Niobe, 255

Norris, Sen. George W., 366, 378

Norris-La Guardia Act, 90

North Carolina

Republican State executive commit-
tee, 45

Wright Brothers National Memorial,
403

Oakes, John B., 202

Oakland, Calif., 390

Obermayer, Leon J., 41 n.

O'Brien, Robert L., 237, 349

O'Connell, P. A., 428

Oddie, Sen. Tasker L., 388

Office. *See other part of title*

Ogden, Utah, 388

Ohio

Child health and protection confer-
ence, 5 n.

Great Lakes-St. Lawrence Deep
Waterway, 235

Lincoln's Birthday, message, 45 n.

Memorials to three prominent Re-
publicans, 302

President's campaign, 336, 337, 346,
357

Oil, 342, 346

Oil Conservation Board, Federal, 423

Oklahoma

Lincoln's Birthday, message, 45 n.

Seminole Indians, land claims, 458

Olympic Games, 200, 253, 318

116th Street Synagogue, 332

Ord, Maj. James B., 25 n.

Oregon

California Society of Washington,
D.C., radio address, 371

Child health and protection confer-
ence, 5 n.

Lincoln's Birthday, message, 45 n.

Ortiz Rubio, Pascual, 214 n., 279

Ottawa, Ill., 376

Owyhee Dam, Oreg., 232

Oxford, Ohio, 357

Pacific Foreign Trade Convention, 143

Packard Motor Car Co., 105

Palestine, National Conference on, 20

Palestine Committee, American, 19

Palo Alto, Calif., 390, 392

Index

[Main references are to item numbers except as otherwise indicated]

- Panama, President Harmodio Arias, 373
- Panama Canal, appropriations, 421
- Parents' Day, 118
- Park, Waterton-Glacier International Peace, 201
- Park Avenue Synagogue, 116
- Park and Planning Commission, National Capital, 423
- Park Service, National, 423
- Parker, Fred C. W., 41 n.
- Parker, F. H., 100
- Parkersburg, W. Va., 357
- Parks of the National Capital, Office of Public Buildings and Public, 423
- Parkway Commission, Rock Creek and Potomac, 423
- Pasadena, Calif., 394
- Patent Office, 122
- Patman, Repr. Wright, 102 n.
- Patman bonus bill. *See* Bonus, veterans
- Paulding, Charles C., 85
- Payne, Frederick H., 265
- Peace Garden, International, 227
- Peace Park, Waterton-Glacier International, 201
- Peace Society, American, 141
- Pearson, A. C., 41 n.
- Pearson, Paul M., 426
- Pedrick, William J., 316
- Penn, William, 350, 363
- Pennsylvania
 - Curwensville, Chamber of Commerce, 82
 - Governor, 305
 - Lincoln's Birthday, message, 45 n.
 - President's campaign, 336, 363, 375
 - Representatives of the unemployed, 7
 - Pennsylvania Railroad Co., 175
 - Pension bill, 138
 - Peoria, Ill., 376
 - Perry, Chester R., 41 n.
 - Personnel Administration, Council of, 135, 212
 - Personnel administration, proposed, 50
 - Pharmacy Week, National, 329
 - Philadelphia, Pa., 363
 - Philippines
 - Governor General, 11
 - Independence, 384, 449
 - Scouts, cost of support, 119
 - Sugar exports, 384, 387
 - Phillips, Harry D., 17
 - Piedmont, W. Va., 360
 - Pinchot, Gov. Gifford, 305
 - Platt, Warren C., 41 n.
 - Plummer, Edward C., 106, 108
 - Plyer, A. M., 130
 - Poland
 - Intergovernmental debts, 431
 - President Ignacy Moscicki, 144
 - Polando, John, 247
 - Pole, J. W., 284
 - Poling, Rev. Daniel A., 268
 - Polish National Day, 144
 - Pomerene, Atlee, 243, 264, 267 ftn.
 - Pomona, Calif., 394
 - Poole, John, 41 n.
 - Pope, Allan M., 41 n.
 - Porter, Joseph F., 264
 - Porto Rico. *See* Puerto Rico
 - Porto Rico Child Feeding Committee, 433
 - Portraits, Presidential, 369 n.
 - Portsmouth, Ohio, 346
 - Post, Wiley, 266

Index

[Main references are to item numbers except as otherwise indicated]

- Post Office Department
 - Building, cornerstone laying, 307
 - Government employees, political activity, 276
 - Federal expenditures, 92, 93
 - Post office construction, 182, 183, 224
 - Postmaster General, 76, 77, 91 n., 106, 108, 119 n., 276, 282
- Potomac Parkway Commission, Rock Creek and, 423
- Potter, Milton Chase, 62
- Power
 - Federal regulation, 259, 358, 366
 - Great Lakes-St. Lawrence Deep Waterway, 219, 235
 - Hoover Dam, Nev., 394, 396
- Power Commission, Federal, 358, 366
- Pratt, Repr. Ruth, 367
- Pratt, Adm. William V., 34
- Professional Women's Clubs, Inc., National Federation of Business and, 41 n.
- Presbyterian Commission, National Capital, 181
- Presidential receptions, 43
- President's Commission for the Study and Review of Conditions in the Republic of Haiti, 135
- President's Emergency Committee for Employment, 135, 337 ftn.
- President's Organization on Unemployment Relief
 - Appropriations, 215
 - Community cooperation, 135, 169, 260, 261, 294
 - Director, 260, 261, 294, 337 ftn.
- President's post-election plans, 392, 396, 462
- President's Research Committee on Social Trends, 437
- President's salary, 119, 231
- President's travel
 - See also* Appendix E
 - Akron, Ohio, 336
 - Athens, Ohio, 357
 - Baltimore, Md., 363
 - Baraboo, Wis., 379
 - Beloit, Wis., 379
 - Belvidere, Ill., 379
 - Boulder City, Nev., 394
 - Braddock, Pa., 336
 - Charleston, W. Va., 346
 - Chester, Pa., 363
 - Chillicothe, Ohio, 346, 357
 - Cincinnati, Ohio, 357
 - Circleville, Ohio, 346
 - Clarksburg, W. Va., 360
 - Cleveland, Ohio, 337
 - Colfax, Calif., 390
 - Columbus, Ohio, 346
 - Connellsville, Pa., 336, 375
 - Connersville, Ind., 357
 - Cumberland, Md., 336
 - Davenport, Iowa, 321
 - Delaware, Ohio, 346
 - Denver, Colo., 383
 - Des Moines, Iowa, 322-325
 - Detroit, Mich., 347
 - Eau Claire, Wis., 379
 - Echo, Utah, 386
 - Elko, Nev., 388, 389
 - Elroy, Wis., 379
 - Evanston, Wyo., 386
 - Fort Wayne, Ind., 326
 - Fostoria, Ohio, 346
 - Freeport, Ill., 379
 - Gary, Ind., 376

Index

[Main references are to item numbers except as otherwise indicated]

President's travel—Continued

Glendale, Calif., 394
Grafton, W. Va., 360
Gresham Junction, Ill., 376
Hamden, Ohio, 357
Hamilton, Ohio, 357
Henry, Ill., 376
Hudson, Wis., 379
Huntington, W. Va., 346
Indianapolis, Ind., 358
Ironton, Ohio, 346
Joliet, Ill., 376
Kenova, W. Va., 346
Keyser, W. Va., 360
LaSalle, Ill., 376
Liberal, Kans., 397
Madison, Wis., 379
Marion, Ohio, 346
Martinsburg, W. Va., 336, 360
McKeesport, Pa., 336
Merrillan, Wis., 379
Meyersdale, Pa., 336
Monroe, Mich., 346
Morris, Ill., 376
Mount Vernon, Va., 57
Nappanee, Ind., 376
New York, N.Y., 365–367, 465
Newark, Del., 363
Newark, N.J., 364
Newcastle, Pa., 336
Oakland, Calif., 390
Ogden, Utah, 388
Ottawa, Ill., 376
Oxford, Ohio, 357
Palo Alto, Calif., 390, 392
Parkersburg, W. Va., 357
Pasadena, Calif., 394
Peoria, Ill., 376
Philadelphia, Pa., 363

President's travel—Continued

Piedmont, W. Va., 360
Pomona, Calif., 394
Portsmouth, Ohio, 346
Richmond, Va., 137
Rock Island, Ill., 321
Rockford, Ill., 379
Rushville, Ind., 357
Sacramento, Calif., 390
St. Louis, Mo., 378
St. Paul, Minn., 380
Salt Lake City, Utah, 387
San Bernardino, Calif., 394
San Francisco, Calif., 390
Springfield, Ill., 377
Toledo, Ohio, 346
Trenton, N.J., 363
Tucumcari, N. Mex., 397
Waverly, Ohio, 346
Wellsboro, Ind., 376
West Liberty, Iowa, 321
Wilmington, Del., 363
Woodville, Ind., 376
Youngstown, Ohio, 336
Zelienople, Pa., 336

Press

See also News conferences
Anti-hoarding campaign, publicity,
38, 81
Farewell remarks, 481
Gridiron Club, addresses, 120, 424
Iowa newspaper editors, remarks,
325
Messages, 104, 151, 426, 469, 478, 479
Scientific Monthly, introduction to
series, 435
White House Correspondents' Asso-
ciation, dinner, 76

Index

[Main references are to item numbers except as otherwise indicated]

- Princeton University, 151, 202
- Proclamations
 - See also* Appendix C
 - Calvin Coolidge, death (Proc. 2024), 444
 - George Washington, bicentennial of birth (Proc. 1986), 35
- Proctor, Alexander M., 65
- Professional Women's Clubs, National Federation of Business and, 41n., 71
- Prohibition, 69, 259, 268, 317, 372, 378
- Prohibition, Allied Forces for, 268 n.
- Prométhée*, 222
- Public building projects, 213, 282, 283, 307, 357, 421
- Public Buildings and Public Parks of the National Capital, Office of, 423
- Public debt, 9, 10, 347, 402, 421
- Public Domain, Committee on the Conservation and Administration of the, 135, 423
- Public Health Association, American, 348, 358
- Public Health Service, Bureau of the
 - Health statistics, 311, 337
 - Reorganization, proposed, 423
 - Surgeon General, 2, 294, 358, 419
- Public Roads, Bureau of, 423
- Public works
 - American Road Builders Association, 14
 - American Society of Civil Engineers, 175
 - Budget message, 421
 - Emergency Relief and Construction Act of 1932, 182, 183, 186, 208, 209, 216, 217, 221, 233, 282, 283, 421
 - Federal nondiscrimination policy, 354
 - Public works—Continued
 - Federal expenditures, 9, 10, 157, 182, 183, 186, 187, 208, 209, 217, 233, 251, 259, 282, 283, 287, 294, 322, 337, 347, 358, 366, 371, 378, 380, 419, 421
 - Public building projects, 213, 282, 283, 307, 357, 421
 - Rivers, harbors, and waterways, 282, 283, 321, 421, 470
 - State of the Union message, 419
 - Public works administration, proposed, 50
- Publishers' Association, National, 41 n.
- Puerto Rico
 - Governor, 11, 33, 310
 - Hurricane, 310
 - Porto Rico Child Feeding Committee, 433
- Purchasing Agents, National Association of, 190
- Quartermaster Corps, 152
- Radio
 - See also* Appendix F
 - Industry, 412
 - Station WOR, 11th anniversary, 473
 - WCAU Building, dedication, 463
- Radio Commission, Federal, 13
- Radiotelegraphic service, Hungary, 254
- Railroads
 - Bankruptcy legislation, 448, 470
 - Competition from waterways, 352
 - Economic recovery, 1, 76, 78, 87, 88, 92, 94, 175, 187, 251, 347, 360, 380, 419
 - Federal Reserve District Banking and Industrial Committees, 264

Index

[Main references are to item numbers except as otherwise indicated]

Railroads—Continued

- Transportation laws, revision, 259, 358
- Railway Credit Corporation, 76, 78, 87, 88
- Railway Presidents Association, 87
- Railway Trainmen, Brotherhood of, 41 n.
- Rainey, Repr. Henry T., 123 n., 183 n.
- Rainey amendment, 230, 233, 470
- Rankin bill, 146 ftn.
- Rapidan Camp conference, 187
- Ratshesky, Abraham C., 210
- Real Estate Board of New York, 17
- "Recent Social Trends in the United States," 437
- Reclamation, Bureau of, 423
- Reclamation service, proposed, 50
- Ready, Michael J., 41 n.
- Reconstruction Finance Corporation
 - Appropriations, 26
 - Board of Directors, 23–25, 31, 36, 41 n., 73 n., 156 n., 187, 189, 208, 220, 221, 230, 251, 264, 267 n., 378
 - Emergency Relief Division, 215 n.
 - Establishment, bill signing, 27
- Loans
 - Agriculture, 76, 78, 92, 94, 175, 186, 187, 208, 209, 221, 233, 238, 239, 251, 295, 313, 322, 347 377, 378, 380, 419
 - Banking and financial institutions, 76, 78, 86, 92, 94, 100, 126, 175, 187, 230, 233, 272, 321, 328, 346, 347, 371, 378, 380, 419

Reconstruction Finance—Continued

- Loans—Continued
 - Public works, 157, 175, 182, 183, 186, 187, 208, 209, 217, 221, 233, 251, 311, 337, 347, 357, 371, 378, 380, 394, 419
- Publicity amendment, 230, 233, 470
- Railroads, 76, 78, 87, 88, 92, 94, 175, 187, 347, 380, 419
- Relief, 157, 175, 186, 187, 208, 209, 217, 221, 233, 294, 305, 337, 346, 347, 357, 371, 380, 382, 387, 394, 419, 470
- Recovery efforts, 1, 28 n., 36, 123, 158, 159, 169, 187, 259, 272
- Reconstruction Organization, Citizens, 38 n., 41, 60, 73, 80, 81, 135
- Red Cross, American National, 121, 249, 294, 398
- Redfield, William C., 195
- Reichelderfer, Luther H., 246 n., 248
- Reid, Albert T., 369
- Relief
 - Emergency Unemployment Relief Committee of New York City, 351
 - President's Emergency Committee on Employment, 337 ftn.
- Reconstruction Finance Corporation
 - loans, 157, 175, 186, 187, 208, 209, 217, 221, 233, 294, 305, 337, 346, 347, 357, 371, 380, 382, 387, 394, 419, 470
 - State and local programs, 1, 157, 175, 186, 187, 208, 209, 215, 217, 221, 233, 259, 294, 305, 337, 347, 380, 419
 - Voluntary efforts, 1, 157, 175, 186, 259, 358, 380, 383, 419

Index

[Main references are to item numbers except as otherwise indicated]

Relief—Continued

Welfare and Relief Mobilization Conference, 294

Welfare and Relief Mobilization of 1932, 338

Relief, President's Organization on Unemployment. *See* President's Organization on Unemployment Relief

Relief and Construction Act of 1932, Emergency, 182, 183, 186, 208, 209, 216, 217, 220 n., 221, 230, 233, 243 n., 282, 283, 421

Renard, G. A., 190

Reorganization of executive branch, 9, 10, 48, 59, 76, 77, 79, 92, 93, 106, 108, 109, 111, 113, 146, 198, 199, 212, 259, 289, 290, 347, 358, 396, 419, 423, 439, 440, 450, 452, 453, 462

Reparations. *See* Intergovernmental debts

Reports to the President

See also Appendix A

President's Research Committee on Social Trends, 437

Republican League, Young, 366, 368

Republican National Committee

Chairman, 200, 291, 476

Counsel, 258 n.

Women's Division, vice chairwoman, 328 n.

Young Republican League, 368

Republican National Convention, 197, 198

Republican Party

Elections. *See* Elections

Gridiron Club, address, 424

Lincoln's Birthday, 45, 46, 465

Republican Party—Continued

National Republican Club of New York City, 46

Ohio, memorials to three prominent Republicans, 302

Post-election role, 394, 476

Research Committee on Social Trends, President's, 135

Resignations

Commerce Department, Secretary, 257

Comptroller of the Currency, 284

Federal Radio Commission, member, 13

Philippines, Governor General, 11

Porto Rico, Governor, 11

President's Organization on Unemployment Relief, Director, 261

Reconstruction Finance Corporation, Board of Directors, Director, 189

Supreme Court of the United States, Associate Justice, 15, 16

Treasury Department, Secretary, 44

U.S. Ambassador to Mexico, 477

U.S. Minister to Canada, 273

U.S. Minister to Czechoslovakia, 210

Resnick, David, 478

Retail Credit Association, National, 41 n.

Retail Dry Goods Association, National, 428

Retirement funds, 421

Revenue Act of 1932, 123, 126, 146, 154, 186, 188

Richards, Bernard G., 72

Richmond, Va., 137

Ridder, Victor F., 340

Riehl, Harry, 281

Index

[Main references are to item numbers except as otherwise indicated]

- Rivers, harbors, and waterways
 - Appropriations, 83, 421
 - Atlantic Deeper Waterways Association, 352
 - Flood control, 282, 283, 353, 421
 - Great Lakes-St. Lawrence Deep Waterway, 219, 226, 235, 259, 273, 322, 470
 - Hoover Dam, Nev., 394, 396
 - Inland waterways, 321, 322
 - Owyhee Dam, Oreg., 232
 - Power production, Federal regulation, 259, 358, 366
 - Public works projects, 282, 283, 321, 421, 470
- Road Builders Association, American, 14
- Robinson, Henry M., 187 n., 313
- Robinson, Ira E., 13
- Robinson, Sen. Joseph T., 73 n., 123 n., 156, 157, 208
- Rock Creek and Potomac Parkway Commission, 423
- Rock Island, Ill., 321
- Rockford, Ill., 379
- Rodríguez, Abelardo, 279
- Rogers, James G., 3n.
- Roop, J. Clawson, 26, 154 n., 218 n.
- Roosevelt, Edith Kermit Carow, 366
- Roosevelt, Franklin D., 219, 337, 346, 347, 358, 363, 364, 366, 377-380, 382, 385, 387, 391, 392, 395, 396, 399, 405, 431, 434, 441, 451, 452, 454, 466, 480
- Roosevelt, Theodore, 425
- Roosevelt, Theodore, Jr., 11
- Roosevelt Memorial Association, 425
- Rose, Flora, 184
- Rosenwald, Julius, 6, 98
- Rosh Hashanah, 303
- Rotary International, 41 n.
- Rothenberg, Morris, 19, 374
- Rubinstein, Leon J., 306
- Rushville, Ind., 357
- Ruttenberg, Nelson, 58
- Sackett, Frederic M., 378
- Sacramento, Calif., 390
- Sacramento River, 421
- Safety, American Museum of, 179
- Safety Council, National, 320
- St. Elizabeths Hospital, 423
- St. Lawrence River waterway. *See* Great Lakes-St. Lawrence Deep Waterway
- St. Louis, Mo., 378, 380, 382, 387
- St. Paul, Minn., 380
- Salisbury, Edith, 41 n.
- Salt Lake City, Utah, 387
- San Bernardino, Calif., 394
- San Francisco, Calif., 390
- San Francisco Bridge Commission, 135
- Sanders, Everett, 200, 291, 476
- Scholastic Magazine, 277
- Schools
 - Conference on the Crisis in Education, 442
 - Organizations, representatives to conference on hoarding of currency, 36
- Senate. *See under* Congress
- Ships and shipping
 - Appropriations, 421
 - Coamo, 433
 - Freighters *Seatrain New York* and *Seatrain Havana*, launchings, 286
 - Merchant marine, 91, 106, 108

Index

[Main references are to item numbers except as otherwise indicated]

- Ships and shipping—Continued
 - National economy program, impact, 119
 - Niobe*, 255
 - Prométhée*, 222
 - Rates, regulation, 106, 108
 - SS *Santa Rosa*, 91
- Schwab, Charles M., 53
- Schwartz, Maurice, 474
- Science and technology
 - Aviation, 422
 - 50th anniversary of first commercial electric lighting and generating plant, 278, 288
 - Patent system, 122
 - President's Research Committee on Social Trends, report, 437
 - Scientific Monthly, introduction to a series of articles, 435
 - WCAU Radio Building, dedication, 463
- Scientific Monthly, 435
- Scott, James Brown, 141 n.
- Scouts of America, Boy, 244
- Seatrains Havana*, 286
- Seatrains New York*, 286
- Secretaries, National Association of Commercial Organization, 41 n.
- Seminole Indians, 458
- Shanghai, China, 34
- Share-the-work organization, 404
- Shearon, Lowe, 347, 377, 378
- Sherlock, Chesla C., 161
- Shipbuilding and Dry Dock Co., Federal, 91
- Shipping Board, United States. *See* United States Shipping Board
- Shipping Committee, Advisory, 135
- Sigall, Joseph, 369 n.
- Silver, 269, 343, 387, 388, 465
- Simonds, Brig. Gen. George S., 25 n.
- Sippel, Mrs. John F., 41 n.
- Sloan, Alfred P., 404
- Sloan, George, 341
- Slum clearance, 251, 311
- Smaller Industries, Conference of, 223
- Smith, Alfred E., 378
- Smith, William R., 14
- Smoot, Sen. Reed, 269, 387
- Snell, Repr. Bertrand H., 197 n.
- Social Science Research Council, 411 n.
- Social Trends, President's Research Committee on, 137, 437
- Social Work, National Conference on, 171
- Society of the Genesee, 30, 445
- Sons of the American Revolution, 164
- South Dakota, child health and protection conference, 5 n.
- Southern Baptist Convention, 162
- Spangler, Harrison E., 314, 325
- Special interest groups, 9, 10, 137, 146–148, 182, 183, 245, 366, 439, 440, 465
- Spingarn, J. E., 41 n.
- Sports
 - Army-Navy football game, 415
 - Olympics, 200, 253, 318
 - Opening baseball game, 111
- Sprague, Frank Julian, 242
- Springfield, Ill., 377
- SS *Santa Rosa*, 91
- Standards, Bureau of, 423
- Stanford University, 392
- Star Pro Juventute, 312
- State, Department of
 - Appropriations, 207, 421
 - Assistant Secretary, 3 n.

Index

[Main references are to item numbers except as otherwise indicated]

- State, Department of—Continued
 - Great Lakes-St. Lawrence Deep Waterway, treaty, 235 n.
 - Secretary, 3 n., 23, 25, 34, 35, 111, 112, 206, 214, 228, 235 n., 380, 395, 396, 444, 446, 449 n., 454
 - Under Secretary, 34
- State and local governments
 - Conference of Governors, 137
 - Conferences on child health and protection, 5
 - Corporations, jurisdiction based on diversity of citizenship, 69
 - County health units, funding, 348
 - Expenditures, 9, 10
 - Great Lakes-St. Lawrence Deep Waterway, 219
 - Hoarding of currency, 36, 41
 - Interstate Conference of Legislators, 461
 - Juvenile delinquency, jurisdiction, 69, 193
 - Law enforcement, 335, 379
 - Power production, Federal regulation, 259, 358, 366
 - Prohibition, 259
 - Property taxes, 292, 322, 377
 - Public works, 14, 175, 187, 221, 337, 358
 - Relief efforts, 1, 157, 175, 186, 187, 208, 209, 215, 217, 221, 233, 259, 294, 305, 337, 347, 380, 419, 470
- State of the Union message, 419
- Statements by the President
 - See also* White House statements
 - Agricultural tariffs, 385
 - American Legion employment drive, 40
 - Automobile sales, 107
 - Statements by the President—Con.
 - Bankruptcy law and judicial reform, 64
 - Better Homes Week, 134
 - Bonus marchers, 246, 250, 285
 - Budget, 77, 93, 113, 148, 453
 - Campaign plans, 200
 - Columbus Day, 331
 - Commerce Department, resignation of Secretary Lamont, 257
 - Deaths
 - Eastman, George, 84
 - Rosenwald, Julius, 6
 - Economic recovery program, 36, 157, 159, 251
 - “Economy Act,” 199, 212
 - Emergency relief and construction legislation of 1932, 183, 209, 217, 233
 - Executive branch appropriations legislation, disapproval, 482
 - Executive branch reorganization, 59, 290, 440, 453
 - Federal expenditures, 10
 - Federal Farm Loan Act, amendments, 28
 - Federal Home Loan Bank Act, 239
 - Federal Reserve Act, amendments, 66
 - Federal Reserve District Banking and Industrial Committees, conference, 264
 - Flag Day ceremonies, 196
 - Foreign relations, post-election conduct, 434
 - General Disarmament Conference, 25, 112, 205, 304
 - Great Lakes-St. Lawrence Deep Waterway, 226, 235

Index

[Main references are to item numbers except as otherwise indicated]

- | | |
|---|--|
| <p>Statements by the President—Con.</p> <p> Hoarding of currency, 49, 81</p> <p> House Select Committee on Economy, meetings, 124</p> <p> Intergovernmental debts, 407</p> <p> Interior Department appropriations act, bill signing, 133</p> <p> Koch, Dr. Robert, tribute, 89</p> <p> Lindberg kidnaping, 160</p> <p> National Hospital Day, 140</p> <p> National Pharmacy Week, 329</p> <p> Navy Day, 356</p> <p> New England Conference on Reemployment, meeting with the President, 240</p> <p> New York Banking and Industrial Committee, 170</p> <p> New York Stock Exchange, 55</p> <p> Philippines</p> <p> Governor Generalship, 11</p> <p> Sugar exports, 384</p> <p> Public works program, 283</p> <p> Railroad reconstruction, 88</p> <p> Reconstruction Finance Corporation, 24, 27, 78, 94, 243</p> <p> Report of the President's Research Committee on Social Trends, 437</p> <p> Revenue Act of 1932, bill signing, 188</p> <p> Senate Minority Leader Robinson, meeting, 156</p> <p> Treasury Department, appointment of Secretary and Undersecretary, 39</p> <p> United Kingdom, U.S. Ambassador, 37</p> <p> United States Junior Chamber of Commerce, "Get Out the Vote" drive, 96</p> <p> United States Shipping Board, 108</p> | <p>Statements by the President—Con.</p> <p> Veterans' bonus, 102, 293</p> <p> Steamboat Inspection, Bureau of Navigation and, 423</p> <p> Steel Construction, American Institute of, 180 n.</p> <p> Steiwer, Sen. Frederick, 234</p> <p> Stevens, Henry L., 38, 40</p> <p> Stimson, Henry L., 3 n., 23, 25, 34, 214, 228, 235 n., 396, 444, 449 n., 454</p> <p> Stock Exchange, New York, 54, 55</p> <p> Stokes, Edward C., 372</p> <p> Stout, J. Robert, 18, 21, 455</p> <p> Strauss, Lewis L., 374 n.</p> <p> Strong, Lt. Col. George V., 25 n.</p> <p> Sugar trade, 384, 387</p> <p> Summers, Jean, 368</p> <p> Supervising Architect, Office of, 423</p> <p> Supply Committee, General, 423</p> <p> Supreme Court of the District of Columbia, 250 n.</p> <p> Supreme Court of the United States</p> <p> American Bar Association, address, 335</p> <p> Associate Justice, 15, 16</p> <p> Chief Justice, 335</p> <p> Independent status, 358, 363, 366</p> <p> Judicial procedure, reform, 69, 475</p> <p> Svinhufvud, Pehr Evind, 417</p> <p> Swanson, Sen. Claude A., 3 n., 25 n.</p> <p> Swedish-Americans, 381</p> <p> Switzerland, U.S. Ambassador, 25 n.</p> <p>Tamblyn, George O., 61</p> <p>Tardieu, André, 150</p> <p>Tariff Act of 1930, amendments, 155</p> <p>Tariff Commission, United States. <i>See</i> United States Tariff Commission</p> |
|---|--|

Index

[Main references are to item numbers except as otherwise indicated]

- Tariffs
 - Agricultural, 384, 385
 - Commodity investigations, 237, 336, 349, 357
 - Oil, 342
 - Protective, 155, 259, 322, 328, 337, 342, 344, 346, 347, 357, 358, 360, 363, 364, 366, 371, 376-380, 386-388, 390, 457
- Tax Association, National, 292
- Taxation
 - Conference of Governors, 137
 - Customs, 450
 - Excise, 186, 346, 419, 421, 450
 - Federal expenditures and revenues, message to Congress, 450
 - Federal refunds, 402, 456
 - Gasoline tax, 421
 - Income, 186, 450
 - Property, 292, 322, 377, 461
 - Revenues, 1, 9, 10, 31, 92, 93, 123, 126, 137, 146, 148, 154, 175, 186, 188, 208, 209, 259, 287, 322, 347
- Taylor, Amos, 317
- Taylor, John Thomas, 38
- Teagle, Walter C., 404
- Teague, Charles C., 342
- Tennessee, child health and protection conference, 5 n.,
- Terra, Gabriel, 271
- Texas, child health and protection conference, 5 n.
- Textile Institute, Cotton, 341
- Theodore Roosevelt Island, 425
- Thrift Committee, National, 41 n.
- Thrift Week, National 21
- Timber Conservation Board, 135
- Tobacco, crop production loans, 309 n.
- Tolan, Eddie, 318
- Toledo, Ohio, 346
- Tomb of the Unknown Soldier, 393
- Trade
 - See also* Tariffs
 - Agricultural exports, Reconstruction Finance Corporation, financing, 221, 322
 - Arms and weapons, restrictions, 446, 470
 - Government supplies, imports, 31, 32
 - Great Lakes-St. Lawrence Deep Waterway, 235, 322
 - Imports, domestic impact, 259, 322, 328, 337, 342, 344, 346, 347, 357, 358, 360, 363, 364, 366, 371, 376-380, 386-388, 457, 462, 465
 - International conference, possibility of, 155
 - Merchant marine, 91
 - Philippines, 384, 449
- Trade Association Executives, American, 41 n., 296
- Trade Council, National Foreign, 143
- Transatlantic flights, 173, 252
- Transportation
 - Bonus army veterans, travel expenses, 225
 - Common carriers, 358
 - Great Lakes-St. Lawrence Deep Waterway, 219, 226, 235, 259, 273, 322, 470
 - Mississippi River, 9-foot waterway, 321
 - Safety, 320
- Travel, President's. *See* President's travel
- Treasury, Department of the
 - Appropriations, 29, 421

Index

[Main references are to item numbers except as otherwise indicated]

- Treasury, Department of the—Con.
Bureau of the Budget, 26, 29, 83, 109,
119, 154 n., 207, 218 n., 225 n.,
287, 289, 290, 423
Bureau of Customs, 237, 423
Bureau of the Public Health Service,
2, 294, 311, 337, 358, 419, 423
Comptroller of the Currency, 238, 239,
284
Executive branch reorganization, 423
Officials, meeting with the President,
36 n.
Post Office site, selection, 224
Public construction projects, equal
employment opportunity policy,
354
Recovery efforts, 123
Rubber imports, investigation, 336
Secretary, 37–39, 44, 73 n., 119 n.,
154 n., 156 n., 186, 220, 221, 251,
264, 267 ftn., 282, 283, 322, 347,
399, 421, 454
Under Secretary, 38, 39, 41, 220
Treaties and other international agree-
ments
Great Lakes-St. Lawrence Deep Wa-
terway, treaty with Canada, 219,
226, 235, 259, 273, 322, 470
International Convention for the Sup-
pression of International Trade
in Arms and Ammunition and
Implements of War, 446
Trenton, N.J., 363
Trusts, benevolent, 322
Tschudi, Harold, 41 n.
Tuberculosis, 89
Tuberculosis Association, National, 408
Tuck, S. Pinkney, 25 n.
Tucumcari, N. Mex., 397
Turkey, President Mustapha Kemal,
361
Turner, Gov. Daniel W., 313
Turner, Comdr. Richmond K., 25 n.
Tuskegee Institute, 353
Ubico, Jorge, 300
Udall, W. V., 227
Uncle Robert, 118
Unemployment. *See* Employment and
unemployment
Unemployment Relief, President's Or-
ganization on. *See* President's Or-
ganization on Unemployment
Relief
Unemployment Relief Committee of
New York City, Emergency, 351
Unemployment Statistics, Advisory
Commission on, 135
Union Square, New York City, 130
United Kingdom
Ambassador to U.S., 395
Intergovernmental debts, 228 n., 395,
431, 452, 454
U.S. Ambassador, 3 n., 37–39, 44
United States Battle of the Mononga-
hela Commission, 135
United States Building and Loan
League, 41 n., 274
United States Bureau of Efficiency, 423
United States Civil Service Commission
Executive branch reorganization, 423
Federal employees, political activity,
275, 276
President, 212, 275, 276
Retirement and Disability Fund, ap-
propriations, 421
United States Commission on Educa-
tion in Haiti, 135

Index

[Main references are to item numbers except as otherwise indicated]

- United States Employees' Compensation Commission, 423
- United States Junior Chamber of Commerce, 96
- United States Marine Corps, 34
- United States Shipping Board
 - Appropriations, 421
 - Reorganization, proposed, 106, 108, 423
 - Shipping lines operation, suspension, 119
 - Vice Chairman, 106, 108
- United States Tariff Commission
 - Chairman, 237, 349
 - Commodity investigations, 237, 336, 349, 357
 - Flexibility, 155, 259, 322, 337, 346, 347, 358, 360, 363, 364, 366, 371, 376-380, 387
- Universal Bible Sunday, 362
- Universal Draft Commission, 135
- Universities. *See* Colleges and universities
- Urban League of New York City, 353
- Uruguay, President Gabriel Terra, 271
- Utah, President's visit, 386-388

- Vallance, William R., 467
- Van Keuren, Capt. A. H., 25 n.
- Van Orsdel, Josiah A., 164
- Van Rensselaer, Martha, 184
- Van Valkenburg, Edwin A., 410
- Veteran Preference, Advisory Committee on, 135
- Veterans
 - American Legion, 38, 40, 51, 101, 102, 256, 293
 - Bonus bill, 101, 102, 123, 126, 154, 293, 358
 - Veterans—Continued
 - Bonus marchers, 218, 225, 246, 248-250, 256, 275, 276, 285
 - Conference on the hoarding of currency, 36
 - Disabled, 51, 365, 432
 - Federal expenditures, 9, 10, 92, 119, 419, 421
 - Imperial Order of the Dragon, 47
 - Military Order of the World War, 67
 - Pensions bill, 138
 - Tomb of the Unknown Soldier, dedication ceremonies, 393
 - Veterans' Administration
 - Administrator of Veterans' Affairs, 76, 77, 119, 218, 225 n.
 - Appropriations, 218, 225, 421
 - Reorganization, 423
 - Veterans of Foreign Wars, 41 n.
 - Veterans Services, Committee on Coordination of, 135
- Veto messages
 - Deficiency and supplemental appropriations bill, 456
 - Emergency relief and construction bill, 221
 - Executive branch appropriations bill, statement on disapproval, 482
 - Indian claims bills, 136, 458
 - Philippine Islands, independence, 449
 - Quartermaster Corps civilian employees benefits bill, 152
 - Relief of private citizen, 65
 - Tariff Act of 1930, amendments, 155
 - Veterans' pensions bill, 138
 - Wage rates for workers employed by contractors on public buildings, 213
- Virgin Islands, Governor, 426

Index

[Main references are to item numbers except as otherwise indicated]

- Virginia, President's visit, 57, 137
Vocational Education, Federal Board for, 119, 423
Wade, B. F., 302
Wages
 Cabinet and President's salary, reductions, 119, 127, 231
 Furlough plan for Federal employees, 119, 126, 127, 132, 133, 137, 146, 175, 198, 199, 208, 212, 240, 307, 337, 419, 421
 Mississippi River flood control projects, 353
 Public buildings, laborers, 213
 Purchasing power, 337, 346, 357, 358, 360, 363, 364, 379, 380, 388
Wagner, Sen. Robert F., 221
Wagner-Garner bill. *See* Emergency Relief and Construction Act of 1932
Wald, Lillian D., 30
Wallace, L. W., 41 n.
Walsh, James L., 41 n.
Walsh, Sen. Thomas J., 480
War, Department of
 Acting Secretary, 235
 Appropriations, 83, 421
 Assistant Secretary, 265
 General Staff, Chief of Staff, 34
 Inland Waterways Corporation, 423
 Interoceanic Canal Board, 423
 Mississippi River flood control projects, charges of unfair labor practices, 353
 Office of the Chief of Engineers, 251, 353 n., 423
 Panama transports, proposed abolition, 119
 Procurement policy, 32
 War, Department of—Continued
 Public works projects, 282
 Quartermaster Corps, 152
 Secretary, 34, 83, 187 n., 206, 246 n., 403, 444, 449 n.
War debts. *See* Intergovernmental debts
War Mother magazine, American, 479
Warburg, Felix M., 339
Washington
 California Society of Washington, D.C., address, 371
 Child health and protection conference, 5 n.
 Lincoln's Birthday, message, 45 n.
Washington, D.C. *See* District of Columbia
Washington, George, bicentennial of birth, 35, 54, 56–58, 122, 142, 174, 181, 194, 196, 262, 335
Water Commission, California, 135
Waterton-Glacier International Peace Park, 201
Waterways. *See* Rivers, harbors, and waterways
Waterways Association, Atlantic Deep-er, 352
Waterways Corporation, Inland, 423
Watson, Sen. James E., 135, 157, 357, 358
Waverly, Ohio, 346
WCAU Radio building, 463
Weather Bureau, 423
Weber, Joe, 306
Welfare, District of Columbia Board of, 423
Welfare Association, Catholic, 41 n.
Welfare Board, Jewish, 41 n.
Welfare and Relief Mobilization Conference, 294

Index

[Main references are to item numbers except as otherwise indicated]

- Welfare and Relief Mobilization of
1932, 338
- Wellsboro, Ind., 376
- West, James E., 244
- West Liberty, Iowa, 321
- West Virginia, President's campaign,
336, 346, 357, 360
- Wheat, crop production loans, 309
- Wheeler, Sen. Burton K., 366, 378
- White House Conference on Child
Health and Protection, 135, 171,
184, 259, 311, 312, 328, 380, 383,
441
- White House Conference on Home
Building and Home Ownership,
99, 135, 180, 184, 259, 311, 328,
358, 380
- White House Correspondents' Associ-
ation, 76
- White House staff, Secretary to the
President, 154 n., 439
- White House statements
Cabinet members, salary reductions,
231
- China, International Settlement at
Shanghai, protection of U.S. citi-
zens, 34
- Committees and commissions, 135
- Congressional Members, meeting
with the President, 400
- Crop production loans, 309
- Currency hoarding, conference, 41
- Domestic health conditions, 2
- Emergency relief and construction
legislation, 216, 230
- Equal employment opportunity, 354
- Executive branch, reorganization, 79
- Executive department appropriations
bills, 459
- White House statements—Continued
Federal budget, 402
- Federal employees, furlough plan, 127
- General Disarmament Conference
Appropriations, 441
- U.S. delegation, instructions, 206
- International monetary and economic
conference, appropriations, 441
- Mississippi River flood control proj-
ects, charges of unfair labor prac-
tices, 353
- National economy program, 119
- Norris-La Guardia Act, 90
- President-elect Roosevelt, meetings
with the President, 399, 405, 454
- Presidential receptions, 43
- Railroad reconstruction conferences,
87
- Reconstruction Finance Corporation,
187
- Whitlock, Ward B., 274
- Whitney, A. F., 41 n.
- Whitsitt, Vincent, 41 n.
- Wilbur, Ray Lyman, 119 n., 167 n.,
232 n., 392 n., 411 n.
- Wiley, Louis, 30, 445
- Wilkerson, James H., 15, 418
- William Penn Commemoration Com-
mittee, 350
- Williams, George, 330
- Williams, L. B., 264
- Williams, Michael, 117
- Willys, John N., 346
- Wilmington, Del., 363
- Wilson, Hugh, 25 n.
- Winant, Gov. John G., 240
- Wisconsin
Great Lakes-St. Lawrence Deep Wa-
terway, 235

Index

[Main references are to item numbers except as otherwise indicated]

- Wisconsin—Continued
 - President's campaign, 379
- Wittpenn, Mrs. H. Otto, 416
- Women
 - American War Mother magazine, 479
 - Campaign remarks, 328, 380, 389
 - Service clubs, conference on hoarding of currency, 36
- Women's Clubs, General Federation of, 41 n.
- Women's Clubs, Inc., National Federation of Business and Professional, 41 n., 71
- Women's Conference on Current Problems, 311
- Women's Education League, Chenango County Republican, 333
- Women's Week, National Business, 71
- Wood, Leonard, 265
- Woodlock, D. J., 41 n.
- Woods, Arthur, 294, 337 ftn.
- Woodville, Ind., 376
- Woolley, Mary Emma, 3 n., 25 n., 380
- WOR Radio station, 473
- World economic conference
 - Appropriations, 207, 441
 - Campaign remarks, 259, 322, 337, 347, 377, 380, 387, 388
 - Goals, 457, 465
 - Intergovernmental debts, 395, 407, 431, 434
 - Silver interests, representation, 269, 343, 388
 - State of the Union message, 419
- World Narcotic Defense Association, 52
- World War, Military Order of the, 67
- World War bonus bill. *See* Bonus, veterans
- World War Foreign Debt Commission, 407
- World's Fair Centennial Celebration, Chicago, 135
- Wright Brothers National Memorial, N.C., 403
- Wyoming
 - Child health and protection conference, 5 n.
 - President's campaign, 344, 386
- Yellowstone National Park Boundary Commission, 135
- Yiddish Art Theatre, 474
- Yorktown, Battle of, 301
- Young, Arthur H., 223
- Young, Owen D., 170 n., 264, 366, 434
- Young, Walker R., 396
- Young Men's Christian Association, 22, 41 n., 68, 330
- Young Republican League, 366, 368
- Youngstown, Ohio, 336
- Youth
 - Association for Childhood Education, 145
 - Boy Scouts of America, 165, 244
 - Boys Club of America, 178
 - Camp Directors of America, 414
 - Catholic Boys' Brigade of the United States, 312
 - Child labor, 311
 - Conference on the Crisis in Education, 442
 - Health, 2, 5, 8, 135, 171, 184, 259, 311, 312, 328, 348, 358, 380, 383, 441
 - International Save the Children Fund, 447
 - Juvenile delinquency, 69, 193

Index

[Main references are to item numbers except as otherwise indicated]

Youth—Continued	Zaimis, Alexander, 95
Musical education, 110	Zangara, Giuseppe, 466 n.
Parents' Day, 118	Zelienople, Pa., 336
Porto Rico Child Feeding Committee, 433	Ziegler, Matilda, 70
Scholastic magazine, 277	Zionist Organization of American, 19, 374
Support for Republican Party, 465	Zonta International, 41 n.
Yugoslavia, King Alexander I, 430	

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